



AGENDA

Orange County Council of Governments
Board of Directors Meeting

Orange County Council of Governments

October 22, 2020

As set forth in Orange County Council of Governments Bylaws and Joint Powers Agreement - the Orange County Council of Governments is a voluntary agency established to serve as a sub- regional organization to the Southern California Association of Governments representing Orange County on mandated and non-mandated regional planning activities, to provide a vehicle for Members to engage cooperatively on such activities, and to conduct studies and projects designed to improve and coordinate common governmental responsibilities and services on an area-wide and regional basis.

Pursuant to Executive Order N-29-20 issued on March 17, 2020 by Governor Gavin Newsom, which directs Californians to follow public health directives including canceling large gatherings, certain provisions of the Ralph M. Brown Act are suspended due to a State of Emergency in response to COVID-19. Consistent with the Executive Order, OCCOG Board meetings will be conducted by teleconference only. Those persons wishing to speak on any item included on the agenda, or on any matter within the subject matter jurisdiction of the OCCOG Board, are invited to submit electronic written comments to eileen@occog.com. If you do not have access to email, you may also call the Board Clerk at (949) 291-3455 before 10:00 a.m. on October 22, 2020 to submit your comments over the phone.

If you would like to participate and speak via the teleconference, please use the following URL:

<https://zoom.us/j/99118584637?pwd=TFIhWDhUZUk1dnVXUXcvQ1B1MHdZdz09>

Dial by your location: +1 669 900 6833

Meeting ID: 991 1858 4637

Passcode: 497571

One tap mobile

+16699006833,,99118584637#,,,,,0#,,US (San Jose)

In compliance with the Americans with Disabilities Act, if you require a reasonable accommodation to participate in this meeting, please contact the Board Clerk at (949) 291-3455 at least 48 hours prior to the advertised starting time of the meeting.

Any documents produced by the Board and distributed to a majority of the Board regarding any item on this agenda will be posted on the Board's website at <https://www.occog.com/>.

For all other questions, please call the Board Clerk at (949) 291-3455.



Zoom Format Only

1 (669) 900-6833 Meeting ID Number 991 1858 4637

Passcode 497571 - 10:30 a.m. to 12:00 p.m.

Board Members (Voting)

Phil Bacerra, District 16

Art Brown, District 21

Wendy Bucknum, District 13 (Vice Chairman)

Michael Carroll, District 14

Rose Espinoza, Cities-at-Large

Jim Ferryman, Orange County Sanitation District (OCSD)

Dean Grose, District 20

Michael Hennessey, Orange County Transportation Authority (OCTA)

Fred Minagar, District 12

Steve Nagel, District 15

Kim Nguyen, District 18

Trevor O'Neil, District 19 (Chair)

Charles E. Puckett, District 17

Carlos Rodriguez, South Coast Air Quality Management District (SCAQMD)

Mike Scheafer, Independent Special Districts of Orange County (ISDOC)

Lyn Semeta, District 64

Marty Simonoff, District 22

Scott Voigts, Transportation Corridor Agencies (TCA)

Ex-Officio Members (Non-Voting)

Tony Cardenas, Orange County Division, League of California Cities

Ryan Chamberlain, Caltrans District 12

Bruce Channing, Association of California Cities Orange County (ACC-OC)

Carolyn Emery, Orange County, Local Agency Formation Committee (OC LAFCO)

Amanda Hughes, UC Irvine representing University Community

Diana Kotler, Anaheim Resort Transportation (ART)

Steven LaMotte, BIAOC, representing Private Sector

Jennifer Ward, Business Community

Helen O'Sullivan, NeighborWorks Orange County, representing Non-Profit Housing Community

VACANT, Health Care/Hospital Industry



Agenda Descriptions

The agenda descriptions are intended to provide members of the public a general summary of items of business to be transacted or discussed. The posting of the recommended actions does not indicate what action will be taken. The Board of Directors may take any action deemed to be appropriate and is not limited by the notice of the recommended action.

Public Comments on Agenda Items

Members of the public wishing to address the Board of Directors regarding any item appearing on the agenda may do so by completing a Speaker Card and submitting it to the Clerk of the Board. Speakers will be recognized by the Chair at the time the agenda item is considered. A speaker's comments shall be limited to three minutes.

Public Availability of Agenda Materials

All documents relative to the items referenced in this agenda are available for public inspection at www.occog.com

Accessibility

Any person with a disability requiring a modification or accommodation in order to participate in this meeting should contact the Clerk of the Board at (949) 291-3455, no less than three business days prior to this meeting to enable the Orange County Council of Governments to make reasonable arrangements to assure accessibility to this meeting.

Call to Order

Roll Call

Pledge of Allegiance

Public Comments

Members of the public may address the Board of Directors regarding any items within the subject matter jurisdiction of the Board of Directors; however, action may not be taken on matters that are not listed on the agenda unless authorized by law. Comments shall be limited to three minutes per speaker, unless different time limits are set by the Chairman, subject to the approval of the Board of Directors.



Consent Calendar (Item Nos. 1-5)

All matters listed under the Consent Calendar are routine and will be enacted by one vote without separate discussion unless Members of the Board, the public, or staff request specific items be removed for separate action or discussion.

1. **Approval of Meeting Minutes for September 24, 2020, Regular Meeting** Eileen White, OCCOG Clerk of the Board [Packet Page 1](#)

Recommended Action: Receive and file the minutes as amended or presented.

2. **OCCOG Financial Reports for September 2020** John Hanson, OCCOG Treasurer [Packet Page 6](#)

Recommended Action: Approve the OCCOG Financial Reports for September 2020.

3. **2020-2021 FY Investment Policy** John Hanson, Treasurer [Packet Page 20](#)

Recommended Action: Receive and File Investment Policy for FY 2020-2021

4. **Legislative Update** Wendy Strack, OCCOG legislative Consultant

Recommended Action: Receive and File Legislative Update

5. **Selection of Date for December Meeting** Marnie O'Brien Primmer, Executive Director [Packet Page 31](#)

Recommended Action: Approve December 3, 2020 for December OCCOG Board meeting.

Action Items

6. **Approve OCCOG REAP Application and Authorize Scope of Services for Release in RFP**

Recommended Action: Approve submittal of OCCOG's application for REAP grant funding to SCAG. Approve scope of services for RFP to be released upon Board's approval of MOU with SCAG.

Reports

- **OCCOG Technical Advisory Committee**
Nate Farnsworth, Technical Advisory Committee Chair
- **Southern California Association of Governments**
Jonathan Hughes, Regional Affairs Officer, SCAG



AGENDA

October 22, 2020

- **OCTA**
Warren Whiteaker, Principal Transportation Analyst, OCTA
- **South Coast Air Quality Management District**
Carlos Rodriguez, Board Member SCAQMD
Debra Ashby, Senior Public Information Specialist, SCAQMD
Link to South Coast AQMD Advisor Newsletter, October/November/December 2020
Edition: <http://www.aqmd.gov/home/research/publications/advisor-archive/current-edition>
- **Executive Director Report**
Marnie O'Brien Primmer, Executive Director
- **Board Member Reports**
- **Member Agency Reports**
- **Staff Member Reports**

Future Agenda Items

Adjournment of Regular Meeting

The next OCCOG Regular Meeting will be on **December 3, 2020**, at a place to be determined, pending state and local public health orders in force at the time of the meeting.



MINUTES

Thursday, September 24, 2020 | 10:30 a.m.

Call to Order

Vice Chair Bucknum called the Regular Meeting of the Orange County Council of Governments to order at 10:32 a.m. on Thursday, September 24, 2020 via Zoom; at (669) 900-6833, Meeting ID Number 972 8513 1174

Board Members Present

Phil Bacerra, District 16
Wendy Bucknum, District 13 (Vice Chairman)
Bruce Channing (ACC-OC) (Ex-Officio)
Rose Espinoza, Cities-at-Large
Jim Ferryman, Orange County Sanitary District (OCSD)
Dean Grose, District 20
Diana Kotler, Anaheim Resort Transportation (ART) (Ex-Officio)
Steven LaMotte, Private Sector (Ex-Officio)
John Zehnder, Caltrans District 12 (Alternative)
Fred Minagar, District 12
Steve Nagel, District 15
Kim Nguyen, District 18
Helen O'Sullivan, Non-Profit Housing Community (Ex-Officio)
Luis Papia, LAFCO (Ex-Officio) (Alternative)
Charles E. Puckett, District 17
Carlos Rodriguez, (TCA)
Mike Scheafer, Independent Special Districts of Orange County (ISDOC)
Lyn Semeta, District 64
Marty Simonoff, District 22

Board Members Absent

Art Brown, District 21
Tony Cardenas, Orange County Division, League of Cities (Ex-Officio)
Michael Carroll, District 14
Mike Hennessey (OCTA)
Amanda Hughes, University Community (Ex-Officio)
Trevor O'Neil, District 19 (Chairman)
Scott Voigts, SCAQMD
Jennifer Ward, OCBC, Business Community (Ex-Officio)

Board Vacancies

Health Care/Hospital Industry (Ex-Officio)



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Staff Present

Marnie O'Brien Primmer, Executive Director
Fred Galante, General Counsel
John Hanson, Treasurer
Nate Farnsworth, TAC Chair
Eileen White, Clerk of the Board
Kathryn Morrison, Administrative Assistant

Others Present

Debra Ashby, Sr. Public Info Spec., SCAQMD
Deborah Diep, Center for Demographic Research Director
Jonathan Hughes, SCAG Public Affairs Officer
Marika Poynter, Principal Planner, City of Irvine

Pledge of Allegiance led by Director Puckett

Public Comments None

Consent Calendar (Item Nos. 1 - 3)

- 1. Approval of Meeting Minutes for August 27, 2020, Regular Meeting** Eileen White, OCCOG Clerk of the Board
It was moved by Director Nagel and seconded by Director Simonoff to receive and file the minutes as presented. Said motion was carried by the following vote:
AYES: (11) BECERRA, BUCKNUM, FERRYMAN, GROSE, MINAGAR, NGUYEN, NAGEL, PUCKETT, RODRIGUEZ, SCHEAFER, SIMONOFF
NOES: (0)
ABSENT/ABSTAINING: (7) BROWN, CARROLL, ESPINOZA, HENNESSEY, O'NEIL, SEMETA, VOIGTS
- 2. OCCOG Financial Reports for August 2020** John Hanson, OCCOG Treasurer
It was moved by Director Nagel and seconded by Director Simonoff to approve the OCCOG Financial Reports for August 2020. Said motion was carried by the following vote:
AYES: (13) BECERRA, BUCKNUM, ESPINOZA, FERRYMAN, GROSE, MINAGAR, NGUYEN, NAGEL, PUCKETT, RODRIGUEZ, SEMETA, SCHEAFER, SIMONOFF
NOES: (0)
ABSENT: (5) BROWN, CARROLL, HENNESSEY, O'NEIL, VOIGTS
- 3. Legislative Update** Wendy Strack, OCCOG legislative Consultant,
It was moved by Director Nagel and seconded by Director Simonoff to Receive and file Legislative Update. Said motion was carried by the following vote:



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AYES: (13) BECERRA, BUCKNUM, ESPINOZA, FERRYMAN, GROSE, MINAGAR, NGUYEN, NAGEL, PUCKETT, RODRIGUEZ, SEMETA, SCHEAFER, SIMONOFF

NOES: (0)

ABSENT: (5) BROWN, CARROLL, HENNESSEY, O'NEIL, VOIGTS

Presentations

- 4. **Coalition Against Bigger Trucks** Josh Collins, Regional Director, Coalition Against Bigger Trucks (CABT), summarized the reasons, including safety concerns and negative road impacts, to oppose allowing bigger trucks on California Roads; reviewed the list of national organizations supporting the prohibition; requested the Board sign a letter to the California Congressional Delegation supporting the prohibition.

Action Items

- 5. **Coalition Against Bigger Trucks (CABT) Coalition Letter** Marnie O'Brien Primmer, Executive Director, requested the Board provide input.

Board Members concurred that the presentation from CABT, although compelling, did not provide the complete picture, including any input from proponents of allowing bigger trucks on California freeways and roadways. They concluded they did not have enough information on potential pros and cons of the issue, and stated preference to be fully informed before taking a position.

It was moved by Vice Chair Bucknum and seconded by Director Nagel to delay directing staff to provide OCCOG logo and delay authorizing OCCOG to sign onto coalition letter opposing bigger trucks on California roads until such time as the Board has been fully informed as to this issue. Said motion was carried by the following vote:

AYES: (13) BECERRA, BUCKNUM, ESPINOZA, FERRYMAN, GROSE, MINAGAR, NGUYEN, NAGEL, PUCKETT, RODRIGUEZ, SEMETA, SCHEAFER, SIMONOFF

NOES: (0)

ABSENT: (5) BROWN, CARROLL, HENNESSEY, O'NEIL, VOIGTS

- 6. **Update to Board-Approved REAP Project List** Marnie O'Brien Primmer, Executive Director, announced that SCAG did not approve the plan approved at the Board's last meeting. She referred to a copy of the REAP project list with proposed changes highlighted in red lettering, and noted informal support of the revised plan by SCAG staff.

It was pointed out that wording in the document regarding "Inclusionary Zoning Fee" may hinder housing; noted the importance of cities working with developers to satisfy requirements in order to get projects built. Staff indicated that the wording does not affect approval of the grants. Staff will clarify the intent, and leave the provision in there for those cities that have the relevant zones.

It was moved by Director Espinoza and seconded by Director Grose to approve Change to proposed project providing support for Orange County Housing Finance Trust (OCHFT) to



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comply with SCAG REAP Subregional Partners Program Guidelines, with revision to the “Inclusionary Zoning Fee” section to avoid a blanket policy that may hinder housing. Said motion was carried by the following vote:

AYES: (13) BECERRA, BUCKNUM, ESPINOZA, FERRYMAN, GROSE, MINAGAR, NGUYEN, NAGEL, PUCKETT, RODRIGUEZ, SEMETA, SCHEAFER, SIMONOFF

NOES: (0)

ABSENT: (5) BROWN, CARROLL, HENNESSEY, O’NEIL, VOIGTS

- 7. **Support for Stadium Development Project** Marnie O’Brien Primmer, Executive Director and Mike Lister, representing the City of Anaheim.
Vice Chair Bucknum recused herself from considering this item due to potential conflict of interest, and left the meeting. Former Vice Chair Puckett provided Chair duties. Marnie O’Brien Primmer, Executive Director, summarized the staff report and reviewed the attached Fact Sheets.
Mike Lister, City of Anaheim, described the benefits associated with the project, including affordable and other housing, jobs creation, parks, restaurants, hotel, and open space. With the ARTIC station nearby, the project will draw people from throughout the region. It was moved by Director Grose and seconded by Director Semeta to direct the Executive Director to send a letter on behalf of the OCCOG expressing support for the Stadium Development Project, with the caveat that although the OCCOG doesn’t generally support individual city projects, but will in this instance due to its regional appeal. Said motion was carried by the following vote:
AYES: (12) BECERRA, ESPINOZA, FERRYMAN, GROSE, MINAGAR, NGUYEN, NAGEL, PUCKETT, RODRIGUEZ, SEMETA, SCHEAFER, SIMONOFF
NOES: (0)
ABSENT/ABSTENTIONS: (6) BROWN, BUCKNUM, CARROLL, HENNESSEY, O’NEIL, VOIGTS

Vice Chair Bucknum returned to the meeting and resumed control of the gavel.

Discussion Items

- 8. **Connect SoCal Update** Marnie O’Brien Primmer, Executive Director; Nate Farnsworth, TAC Chair, announced approval of Connect SoCal by SCAG and is moving forward.
- 9. **RHNA Appeals Process Report** Marnie O’Brien Primmer, Executive Director; Nate Farnsworth, TAC Chair, announced the RHNA appeals process has started and the due date is the end of October. It was noted that the Embarcadero Study concludes that the housing shortage in California is 800k, rather than the much higher number estimated by SCAG.
- 10. **OCCOG Housing Videos Regular Update** Marnie O’Brien Primmer, Executive Director, reviewed the staff report an update on the ongoing OCCOG Housing Videos Project. She reviewed the outline for Video #2, displayed the upcoming videos’ topic/goals, and



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provided a timeline of releases. All of the videos are anticipated to be completed and posted to the OCCOG's website by July 2021.

Reports

- **Technical Advisory Committee**
No report
- **Southern California Association of Governments (SCAG)**
Johnathan Hughes, SCAG Regional Affairs Officer, announced the Sustainable Communities Program has just started and encouraged cities to apply.
- **South Coast Air Quality Management District**
Link to South Coast AQMD Advisor Newsletter, August/September 2020 Edition:
<http://www.aqmd.gov/home/research/publications/advisor-archive/current-edition> Carlos Rodriquez, SCAQMD Boardmember, announced the 6th Annual Environmental Justice Fair scheduled for October 28, 2020; discussed ZEV activities; noted worsening of air quality due to fires.
- **Executive Director's Report**
No reports
- **Board Member Reports**
No reports
- **Member Agency Reports**
No reports
- **Staff Member Reports**
No reports

Future Agenda Items

None

Adjournment

There being no further business before the Board, Vice Chair Bucknum adjourned the meeting at 12:05 p.m. The next regular meeting of the OCCOG Board of Directors will take place at 10:30 a.m. on October 22, 2020, location to be determined pending state and local public health orders in force at the time of the meeting.



AGENDA ITEM #2

OCCOG September 2020 Financial Report

SUMMARY

OCCOG financial information is provided for Board review.

As of September 30, 2020, OCCOG had combined cash and investments of \$574,535.38 consisting of the following: a bank balance of \$15,714.18 at Bank of the West, bank balance of \$333,670.66 at Citizens Business Bank outstanding checks in the amount of \$31,045.43 and an investment balance at the State Local Agency Investment Fund of \$256,195.97.

STAFF RECOMMENDATION

Approve financial report.

ATTACHMENTS

- A. OCCOG Fiscal Year 2020-21 Cash and Investments
- B. Bank of the West Statement as of September 30, 2020
- C. Citizens Business Bank Statement as of September 30, 2020
- D. State Local Agency Investment Fund (LAIF) Monthly Statement for September 30, 2020
- E. LAIF Performance Report - Quarter Ending June 30, 2020, Pooled Money Investment Account (PMIA) Average Monthly Effective Yields – July 2020 – August 2020 – September 2020 and PMIA Portfolio Composition at 8/31/20.
- F. OCCOG Fiscal Year 2020-21 Cash Receipts/Disbursements Report
- G. Overpayment to Connected Consulting Report

STAFF CONTACT

John Hanson, CPA
OCCOG Treasure
949-929-0073
jhoccog@gmail.com

**Orange County Council of Governments
Cash and Investments
Fiscal Year 2020-21**

Date	Check #	Description	Amount	General Ledger Balance	Bank Balances and Reconciliation
July					
		Balance Forward		338,479.65	
7/2/2020	1551	Eileen White	(4,455.00)	334,024.65	
7/2/2020	1552	Connected Consulting	(10,802.99)	323,221.66	Bank of the West 29,548.45
7/2/2020	2047	Wendy J Strack Consulting	(2,500.00)	320,721.66	Citizens Business Bank 181,238.76
					Bank
7/2/2020	2048	Kathryn Morrison	(1,300.00)	319,421.66	O/S Checks (21,504.44)
7/2/2020	2049	John Hanson	(694.71)	318,726.95	State LAIF 256,195.97
7/2/2020	2050	Aleshire & Wynder, LLP	(2,340.00)	316,386.95	<u>\$445,478.74</u>
7/2/2020	2051	Communications Lab	(1,250.00)	315,136.95	
7/14/2020	2052	Lisa Telles Communications	(1,000.00)	314,136.95	
7/14/2020	2053	City of Placentia	(157.00)	313,979.95	
7/20/2020		Bank of the West	(52.12)	313,927.83	
7/22/2020		Citizens Business Bank	(41.95)	313,885.88	
7/22/2020		City of Stanton	5,833.09	319,718.97	
7/22/2020		City of Los Alamitos	3,926.48	323,645.45	
7/22/2020		City of Newport Beach	11,069.90	334,715.35	
7/22/2020		City of Fountain Valley	8,997.51	343,712.86	
7/22/2020		City of Villa Park	3,524.43	347,237.29	
7/22/2020		Orange County Sanitation District	7,500.00	354,737.29	
7/22/2020		City of Laguna Woods	4,250.55	358,987.84	
7/29/2020		City of Rancho Santa Margarita	6,506.47	365,494.31	
7/29/2020		City of La Palma	4,198.51	369,692.82	
7/29/2020		City of Lake Forest	8,995.82	378,688.64	
7/29/2020		City of Laguna Niguel	9,651.62	388,340.26	
7/29/2020		City of Cypress	2,179.01	390,519.27	
7/29/2020		City of Cypress	4,360.66	394,879.93	
7/29/2020		City of Laguna Beach	4,673.31	399,553.24	
7/29/2020		City of Alsio Viejo	6,593.18	406,146.42	
7/29/2020		City of Costa Mesa	13,079.65	419,226.07	
7/29/2020		City of San Clemente	9,600.68	428,826.75	
7/29/2020		City of Buena Park	8,807.79	437,634.54	
7/29/2020		City of La Habra	7,516.82	445,151.36	
7/29/2020		City of Dana Point	5,422.04	450,573.40	
7/29/2020		City of Placentia	6,693.67	457,267.07	
7/29/2020		City of Tustin	8,695.79	465,962.86	
7/29/2020		Local Agency Investment Fund	1,020.88	466,983.74	
7/31/2020	2054	CALCOG	(2,100.00)	464,883.74	
7/31/2020	2055	John Hanson	(819.45)	464,064.29	
7/31/2020	2056	Aleshire & Wynder, LLP	(1,782.00)	462,282.29	
7/31/2020	2057	Wendy J Strack Consulting	(2,500.00)	459,782.29	
7/31/2020	2058	Connected Consulting	(10,802.99)	448,979.30	
7/31/2020	2059	VOID	-	448,979.30	
7/31/2020	2060	Lisa Telles Communications	(1,000.00)	447,979.30	
7/31/2020	2061	Kathryn Morrison	(1,250.00)	446,729.30	
7/31/2020	2062	Communications Lab	(1,250.00)	445,479.30	

**Orange County Council of Governments
Cash and Investments
Fiscal Year 2020-21**

Date	Check #	Description	Amount	General Ledger Balance	Bank Balances and Reconciliation
August					Bank of the West 29,548.45
					Citizens Business Bank 305,784.65
					O/S Checks (27,678.18)
					State LAIF 256,195.97
					<u>\$563,850.89</u>
8/12/2020		City of Santa Ana	31,346.03	476,825.33	
8/12/2020		City of Fullerton	12,956.81	489,782.14	
8/12/2020		City of San Juan Capistrano	5,641.88	495,424.02	
8/12/2020		City of Irvine	22,648.88	518,072.90	
8/24/2020		City of Anaheim	32,889.68	550,962.58	
8/24/2020		City of Huntington Beach	17,074.85	568,037.43	
8/24/2020		City of Seal Beach	4,856.91	572,894.34	
8/24/2020		Citizens Business Bank	(35.13)	572,859.21	
8/31/2020		City of Yorba Linda	9,882.68	582,741.89	
8/31/2020		City of Brea	8,287.18	591,029.07	
8/31/2020		ISDOC	500.00	591,529.07	
8/31/2020	2063	Aleshire & Wynder	(684.00)	590,845.07	
8/31/2020	2064	John Hanson	(909.91)	589,935.16	
8/31/2020	2065	Communications Lab	(2,500.00)	587,435.16	
8/31/2020	2066	Wendy J Strack Consulting	(2,500.00)	584,935.16	
8/31/2020	2067	Kathryn Morrison	(1,750.00)	583,185.16	
8/31/2020	2068	Lisa Telles Communications	(1,000.00)	582,185.16	
8/31/2020	2069	AJ Design	(4,500.00)	577,685.16	
8/31/2020	1553	Connected Consulting	(10,834.27)	566,850.89	
8/31/2020	1554	Elaine White	(3,000.00)	563,850.89	
September					Bank of the West 15,714.18
					Citizens Business Bank 333,670.66
					O/S Checks (31,045.43)
					State LAIF 256,195.97
					<u>\$574,535.38</u>
9/8/2020		City of Mission Viejo	11,658.11	575,509.00	
9/8/2020		City of San Juan Capistrano	2,000.00	577,509.00	
9/8/2020		City of Garden Grove	15,239.62	592,748.62	
9/22/2020		City of Orange	12,832.19	605,580.81	
9/30/2020	2070	Wavelength Automation	(1,428.00)	604,152.81	
9/30/2020	2071	Eide Bailly	(6,000.00)	598,152.81	
9/30/2020	2072	Eileen White	(1,500.00)	596,652.81	
9/30/2020	2073	Lisa Telles Communications	(1,000.00)	595,652.81	
9/30/2020	2074	Kathryn Morrison	(1,714.94)	593,937.87	
9/30/2020	2075	Wendy J Strack Consulting	(2,500.00)	591,437.87	
9/30/2020	2076	John Hanson	(1,035.21)	590,402.66	
9/30/2020	2077	Aleshire & Wynder	(2,934.00)	587,468.66	
9/30/2020	1555	Connected Consulting	(10,433.28)	577,035.38	
9/30/2020	1556	Communications Lab	(2,500.00)	574,535.38	



BANK OF THE WEST
BNP PARIBAS

P.O. Box 2830, Omaha, NE 68103-2830

Account Statement

September 1, 2020 - September 30, 2020

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>006144 5055858 0001 008230 20Z
 ORANGE COUNTY COUNCIL OF GOVERNMENTS
 ATTN JOHN HANSON
 3972 BARRANCA PKWY STE J127
 IRVINE CA 92606-1204

At your service



bankofthewest.com



1-800-488-2265



1-800-659-5495 TTY

We Appreciate You

Thank you for banking with Bank of the West. We appreciate your business and look forward to continuing to serve your banking needs.

Remember to confirm your email during your next branch visit or call our Contact Center at 800-488-2265. Our emails keep you educated about our services, products and more.

REGULAR BUSINESS CHECKING 011-244681

ORANGE COUNTY COUNCIL OF GOVERNMENTS
 ATTN JOHN HANSON

ACCOUNT SUMMARY

Beginning Balance	\$29,548.45
0 Credits	0.00
0 Deposits	0.00
0 Withdrawals	0.00
2 Checks	-13,834.27
Ending Balance	\$15,714.18

EARNINGS SUMMARY

Interest this statement period	\$0.00
Interest credited year-to-date	\$0.00
Annual percentage yield earned	0.00%
Average monthly balance	\$18,197.60

For your protection:

Examine this statement promptly. Any discrepancy must be reported within 30 days. Consumer customers: A discrepancy regarding an electronic payment or line of credit must be reported within 60 days.



06144 5055858 009734 019467 0001/0002



REGULAR BUSINESS CHECKING xxx-xx4681 (continued)

ACCOUNT DETAIL

Checks Paid

<i>Number</i>	<i>Date paid</i>	<i>Amount</i>	<i>Number</i>	<i>Date paid</i>	<i>Amount</i>
3	09/15	3,000.00	1553*	09/04	10,834.27

2 checks paid for a total of \$13,834.27

* Break in check number sequence.

8230-0122

032095 1255079 0000000 064276 128552 01/02





IMPORTANT INFORMATION

IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS

(For accounts that are maintained primarily for personal, family or household purposes.)

Telephone us at (800) 488-2265, or write us at Bank of the West*, Branch Service Center, P.O. Box 2573, Omaha, NE 68103-2573 as soon as you can if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent you the FIRST statement on which the error or problem appeared. We will need to know the following:

1. Tell us your name and account number (if any).
2. Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
3. Tell us the dollar amount of the suspected error.

We will investigate your complaint and will correct any error promptly. If we take more than 10 business days (20 business days for transactions involving new accounts) to do this, we will credit your account for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation.



06144 5055658 009735 019469 0002/0002



*In South Dakota, Bank of the West operates under the name of Bank of the West California.





BANK OF THE WEST
BNP PARIBAS

Account Statement

September 1, 2020 - September 30, 2020

Page 4 of 4

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032095 1255079 000000 064277 128554 02/02



bankofthewest.com



1-800-488-2265
Packet Page 12



1-800-659-5495 TTY

RETURN SERVICE REQUESTED

ORANGE COUNTY COUNCIL OF GOVERNMENTS
3972 BARRANCA PKWY STE J127
IRVINE CA 92606-1204




Statement Ending 09/30/2020

ORANGE COUNTY COUNCIL OF

Page 1 of 2

Account Number: 591004948

Managing Your Accounts

	Phone Number	888.222.5432
	Website	cbbank.com
	Email	customersupport@cbbank.com

Summary of Accounts

Account Type	Account Number	Ending Balance
ANALYZED BUSINESS PLAN GOVERNMENT SRVCS	591004948	\$333,670.66

ANALYZED BUSINESS PLAN GOVERNMENT SRVCS-591004948

Account Summary

Date	Description	Amount
09/01/2020	Beginning Balance	\$305,784.65
	2 Credit(s) This Period	\$41,729.92
	7 Debit(s) This Period	\$13,843.91
09/30/2020	Ending Balance	\$333,670.66

Deposits

Date	Description	Amount
09/09/2020	DEPOSIT	\$28,897.73
09/23/2020	DEPOSIT	\$12,832.19
		2 item(s) totaling \$41,729.92

Checks Cleared

Check Nbr	Date	Amount	Check Nbr	Date	Amount	Check Nbr	Date	Amount
2063	09/09/2020	\$684.00	2066	09/15/2020	\$2,500.00	2069	09/08/2020	\$4,500.00
2064	09/03/2020	\$909.91	2067	09/08/2020	\$1,750.00			
2065	09/15/2020	\$2,500.00	2068	09/08/2020	\$1,000.00			

* Indicates skipped check number

7 item(s) totaling \$13,843.91

Daily Balances

Date	Amount	Date	Amount	Date	Amount
09/03/2020	\$304,874.74	09/09/2020	\$325,838.47	09/23/2020	\$333,670.66
09/08/2020	\$297,624.74	09/15/2020	\$320,838.47		

OUTSTANDING CHECKS		INSTRUCTIONS
No.	Amount	<p>PLEASE EXAMINE THIS STATEMENT AT ONCE AND IMMEDIATELY NOTIFY THE BANK OF ANY ERRORS. ALL ITEMS CREDITED ARE SUBJECT TO FINAL PAYMENT.</p> <ol style="list-style-type: none"> 1. Compare each paid check with your check stub or register and mark as paid. 2. Bank balance shown on front of your statement..... _____ 3. Compare any deposits shown on statement, including bank originated credits, with those entered in your check register. Add any not shown on statement..... _____ 4. Subtotal..... _____ 5. Subtract total of outstanding checks..... _____ 6. Account Balance..... _____ 7. Your check book balance..... _____ 8. Subtract any bank charges including monthly service charge or transfers you have authorized and have been deducted on this statement..... _____ 9. Adjusted check book balance..... _____ <p><i>*Denotes a point at which one or more check serial numbers are unaccounted for this statement period. It may indicate outstanding checks or checks shown on previous statements.</i></p>
TOTAL		

STATEMENTS AND IMAGES

Your account statement will include the following information with respect to each check paid against your account during the statement cycle: (1) the check number (2) the amount of the check; and (3) the date of the payment. Copies of checks can be requested by calling customer service at (888) 222-5432. Please refer to our Bank Product and Service Information for applicable fees under Research Requests.

THE FOLLOWING NOTICE CONCERNING ELECTRONIC TRANSFER APPLIES IF YOUR ACCOUNT IS MAINTAINED FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES.

IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS CONTACT US AT:

Telephone: (888) 222-5432
or write us at:
Citizens Business Bank P O Box 51000, Ontario, CA 91761

Contact us as soon as you can if you think your statement or receipt is wrong or if you need more information about a transfer on the statement or a receipt. We must hear from you no later than 60 days after we sent you the FIRST statement on which the error or problem appeared. If you have a question concerning your statement, please be prepared to:

1. Provide your name and account number (if any).
2. Provide the dollar amount of the suspected error.
3. Describe the error or the transfer you are unsure about and clearly explain why you believe it is an error or why you need more information.

We will investigate your complaint and will correct any error promptly. If we take more than 10 business days to do this, we will credit your account for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation

California State Treasurer *Fiona Ma, CPA*



Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

October 09, 2020

[LAIF Home](#)
[PMIA Average Monthly Yields](#)

ORANGE COUNTY COUNCIL OF GOVERNMENTS

TREASURER
3972 BARRANCA PKWY
SUITE J127
IRVINE , CA 92606

[Tran Type Definitions](#)

Account Number: 40-30-020

September 2020 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	256,195.97
Total Withdrawal:	0.00	Ending Balance:	256,195.97



PMIA/LAIF Performance Report as of 10/07/20



PMIA Average Monthly Effective Yields⁽¹⁾

Sep	0.685
Aug	0.784
Jul	0.920

Quarterly Performance Quarter Ended 06/30/20

LAIF Apportionment Rate ⁽²⁾ :	1.47
LAIF Earnings Ratio ⁽²⁾ :	.00004012766505335
LAIF Fair Value Factor ⁽¹⁾ :	1.004912795
PMIA Daily ⁽¹⁾ :	1.08%
PMIA Quarter to Date ⁽¹⁾ :	1.41%
PMIA Average Life ⁽¹⁾ :	191

*Revised 7/21/2020 per State Controller's Office

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 08/31/20 \$113.8 billion

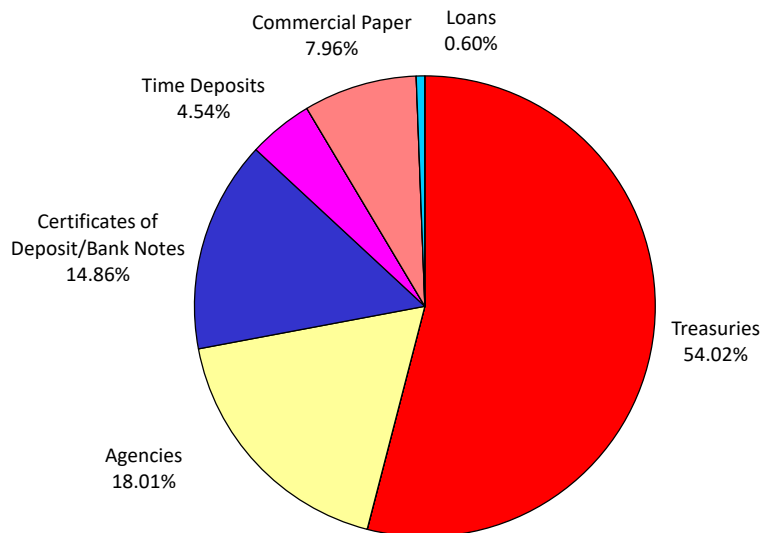


Chart does not include 0.01% of mortgages. Percentages may not total 100% due to rounding.

Daily rates are now available here. [View PMIA Daily Rates](#)

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).

Source:

⁽¹⁾ State of California, Office of the Treasurer

⁽²⁾ State of California, Office of the Controller

**Orange County Council of Governments
Cash Receipts/Disbursements Report
For the Quarter ending September 30, 2020**

Cash Receipts

Date	Payer	Description	Amount
7/22/2020	City of Stanton	CDR Fees and Dues	5,833.09
7/22/2020	Los Alamitos	CDR Fees and Dues	3,926.48
7/22/2020	City of Newport Beach	CDR Fees, Dues, and Cycle 1 Data	11,069.90
7/22/2020	City of Fountain Valley	CDR Fees, Dues and Cycle 1 Data	8,997.51
7/22/2020	City of Villa Park	CDR Fees and Dues	3,524.43
7/22/2020	Orange County Sanitation District	OCCOG Dues	7,500.00
7/22/2020	City of Laguna Woods	CDR Fees and Dues	4,250.55
7/29/2020	City of Rancho Santa Margarita	CDR Fees and Dues	6,506.47
7/29/2020	City of La Palma	CDR Fees and Dues	4,198.51
7/29/2020	City of Lake Forest	CDR Fees and Dues	8,995.82
7/29/2020	City of Laguna Niguel	CDR Fees, Dues, and Cycle 1 Data	9,651.62
7/29/2020	City of Cypress	CDR Fees and Dues	2,179.01
7/29/2020	City of Cypress	CDR Fees and Dues	4,360.66
7/29/2020	City of Laguna Beach	CDR Fees and Dues	4,673.31
7/29/2020	City of Alsio Viejo	CDR Fees and Dues	6,593.18
7/29/2020	City of Costa Mesa	CDR Fees, Dues, and Cycle 1 Data	13,079.65
7/29/2020	City of San Clemente	CDR Fees, Dues and Cycle 1 Data	9,600.68
7/29/2020	City of Buena Park	CDR Fees and Dues	8,807.79
7/29/2020	City of La Habra	CDR Fees and Dues	7,516.82
7/29/2020	City of Dana Point	CDR Fees and Dues	5,422.04
7/29/2020	City of Placentia	CDR Fees and Dues	6,693.67
7/29/2020	City of Tustin	CDR Fees and Dues	8,695.79
7/29/2020	Local Agency Investment Fund	Quarterly Interest	1,020.88
8/12/2020	City of Santa Ana	CDR Fees, Dues and Cycle 1 Data	31,346.03
8/12/2020	City of Fullerton	CDR Fees and Dues	12,956.81
8/12/2020	City of San Juan Capistrano	CDR Fees and Dues	5,641.88
8/12/2020	City of Irvine	CDR Fees and Dues	22,648.88
8/24/2020	City of Anaheim	CDR Fees, Dues and Cycle 1 Data	32,889.68
8/24/2020	City of Huntington Beach	CDR Fees and Dues	17,074.85
8/24/2020	City of Seal Beach	CDR Fees and Dues	4,856.91
8/24/2020	Citizens Business Bank	CDR Fees and Dues	(35.13)
8/31/2020	City of Yorba Linda	CDR Fees, Dues and Cycle 1 Data	9,882.68
8/31/2020	City of Brea	CDR Fees, Dues and Cycle 1 Data	8,287.18
8/31/2020	ISDOC	OCCOG Dues	500.00
9/8/2020	City of Mission Viejo	CDR Fees and Dues	11,658.11
9/8/2020	City of San Juan Capistrano	Cycle 1 Data	2,000.00
9/8/2020	City of Garden Grove	CDR Fees and Dues	15,239.62
9/22/2020	City of Orange	CDR Fees and Dues	12,832.19
			340,877.55

Cash Disbursements

<u>Date</u>	<u>Check #</u>	<u>Payee</u>	<u>Description</u>	<u>Amount</u>
7/2/2020	1551	Eileen White	May, June 2020 Clerk of the Board	(4,455.00)
7/2/2020	1552	Connected Consulting	June Executive Director	(10,802.99)
7/2/2020	2047	Wendy J Strack Consulting	Strategy and Advocacy Services June 2020	(2,500.00)
7/2/2020	2048	Kathryn Morrison	Administrative Assistant June 2020	(1,300.00)
7/2/2020	2049	John Hanson	Treasurer May/June 2020	(694.71)
7/2/2020	2050	Aleshire & Wynder, LLP	Legal May 2020	(2,340.00)
7/2/2020	2051	Communications Lab	Social Media/Web Site May 2020	(1,250.00)
7/14/2020	2052	Lisa Telles Communications	General Assembly Special Events June 2020	(1,000.00)
7/14/2020	2053	City of Placentia	General Assembly Registration Refund	(157.00)
7/20/2020		Bank of the West	Bank Fees	(52.12)
7/22/2020		Citizens Business Bank	Bank Fees	(41.95)
7/31/2020	2054	CALCOG	Annual Dues	(2,100.00)
7/31/2020	2055	John Hanson	Treasurer June/July 2020	(819.45)
7/31/2020	2056	Aleshire & Wynder, LLP	Legal June 2020	(1,782.00)
7/31/2020	2057	Wendy J Strack Consulting	Strategy and Advocacy Services July 2020	(2,500.00)
7/31/2020	2058	Connected Consulting	July Executive Director	(10,802.99)
7/31/2020	2059	VOID		-
7/31/2020	2060	Lisa Telles Communications	General Assembly Special Events July 2020	(1,000.00)
7/31/2020	2061	Kathryn Morrison	Administrative Assistant July 2020	(1,250.00)
7/31/2020	2062	Communications Lab	Social Media/Web Site June 2020	(1,250.00)
8/31/2020	2063	Aleshire & Wynder	Legal July 2020	(684.00)
8/31/2020	2064	John Hanson	Treasurer July/August 2020	(909.91)
8/31/2020	2065	Communications Lab	Social Media/Web Site July 2020	(2,500.00)
8/31/2020	2066	Wendy J Strack Consulting	Strategy and Advocacy Services August 2020	(2,500.00)
8/31/2020	2067	Kathryn Morrison	Administrative Assistant August 2020	(1,750.00)
8/31/2020	2068	Lisa Telles Communications	General Assembly Special Events August 2020	(1,000.00)
8/31/2020	2069	AJ Design	RHNA Video	(4,500.00)
8/31/2020	1553	Connected Consulting	August Executive Director	(10,834.27)
8/31/2020	1554	Elaine White	Clerk of the Board, July and August 2020	(3,000.00)
9/30/2020	2070	Wavelength Automation	Captital Tracking October 20-2021	(1,428.00)
9/30/2020	2071	Eide Bailly	Audit services 2019-20	(6,000.00)
9/30/2020	2072	Eileen White	Clerk of the Board, September 2020	(1,500.00)
9/30/2020	2073	Lisa Telles Communications	General Assembly Special Events September 2020	(1,000.00)
9/30/2020	2074	Kathryn Morrison	Administrative Assistant September 2020	(1,714.94)
9/30/2020	2075	Wendy J Strack Consulting	Strategy and Advocacy Services September 2020	(2,500.00)
9/30/2020	2076	John Hanson	Treasurer August/September 2020	(1,035.21)
9/30/2020	2077	Aleshire & Wynder	Legal August 2020	(2,934.00)
9/30/2020	1555	Connected Consulting	September Executive Director	(10,433.28)
9/30/2020	1556	Communications Lab	Social Media/Web Site August 2020	(2,500.00)
				<u>(104,821.82)</u>



To: OCCOG Board of Directors

From: John Hanson, OCCOG Treasurer

Subject: Overpayment to Connected Consulting

At the April 25, 2019 Board meeting, the OCCOG Board approved Amendment No. 3 to Independent Contractor Agreement for Executive Director Services by and Between the Orange County Council of Governments and Connected Consulting. The Agreement extended the term of services for an additional two years and increased the monthly retainer payable from \$10,000 to \$10,725, with the increase effective as of the July 1, 2019 invoicing period.

During the 2019-2020 fiscal year annual financial audit, it was brought to the attention of the Treasurer and the Executive Director that the monthly invoice amount was incorrect for the months beginning July 2019 through August 2020. Due to a clerical error, Connected Consulting submitted monthly invoices in the amount of \$10,750, a monthly overpayment of \$25. The overpayments totaled \$350.00. Connected Consulting has submitted an invoice for the month of September 2020 in the amount of \$10,375, a reduction of the monthly retainer in the amount of \$350 to rectify the overpayments. I am bringing this overpayment forward to the Board to make you aware of both the incorrect payments and the remedy.

STAFF ACTION

Going forward staff will create a summary of all contracts which will include payment terms, and contract expiration. Staff will double-check all invoices against contract summary.

STAFF CONTACT

John Hanson, CPA
OCCOG Treasurer
949-929-0073
jhoccog@gmail.com



Agenda Item # 3 Statement of Investment Policy

Summary:

The Statement of Investment Policy directs the Treasurer to select investments that are permissible and are in line with the objective of the Orange County Council of Governments (OCCOG). The priorities of the OCCOG's investment strategy, as declared by the Statement of Investment Policy, are safety of principal, liquidity and return on investment, in that order, with the primary objective being the safety of OCCOG funds. All investments must follow Government Code requirements and limitations. On an annual basis, OCCOG must approve the OCCOG's Statement of Investment Policy and delegate authority to invest all funds held by the OCCOG to the Treasurer and Executive Director for a period of one (1) year (Government Code 53607). The OCCOG's Statement of Investment Policy is presented to the Board for approval. There are no changes to the OCCOGs Statement of Investment Policy.

Staff's intent is to continue investing al excess funds with LAIF, and to utilize LAIF exclusively for at least the rest of this fiscal year.

Staff's plan is to evaluate in future years the need for investment vehicles other than LAIF, depending on LAIF performance compared to other investment types and the amount of excess funds available for investment. However, if necessary, the proposed Investment Policy would provide authorization for such alternative investments if the need were to arise prior to that time. The policy specifies no maximum limit for the percentage of OCCOG funds that can be invested in LAIF, but does specify a limit of 30% of the portfolio for all other investment pools other than LAIF and 20% of the portfolio for money market mutual funds.

As noted in the policy, staff will report monthly on the status and performance of OCCOG's investments. This additional information will be added to the current monthly financial report. Staff will bring back the investment policy to the Board each year for review and possible updates or changes.

Recommendation: Approve the attached Statement of Investment Policy.

Attachments: Orange County Council of Governments Statement of Investment Policy

STAFF CONTACT

John Hanson, CPA
OCCOG Treasure
949-929-0073
jhoccog@gmail.com

ORANGE COUNTY COUNCIL OF GOVERNMENTS
STATEMENT OF INVESTMENT POLICY
FY 2020-21

I. Purpose

This Investment Policy (the Policy) addresses the methods, procedures, and practices which must be exercised to ensure effective and judicious fiscal and investment management of the idle cash of the Orange County Council of Governments (OCCOG).

II. Scope

This Policy applies to activities of OCCOG with regard to investing the financial assets of all funds under its control.

III. Prudence

The standard of prudence to be used by investment officials in the context of managing the overall portfolio shall be the “prudent investor” standard (California Government Code Section 53600.3) which states that when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.”

OCCOG’s overall investment program shall be designed and managed with a degree of professionalism that is worthy of the public trust. OCCOG recognizes that no investment is totally without risk and that the investment activities of OCCOG are a matter of public record. Accordingly, it is recognized that occasional measured losses may occur in a diversified portfolio and shall be considered within the context of the overall portfolio's return, provided that adequate diversification has been implemented and that the sale of a security is in the best long-term interest of the organization.

The Treasurer, acting in accordance with written procedures and this Policy and exercising due diligence, shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

ORANGE COUNTY COUNCIL OF GOVERNMENTS
STATEMENT OF INVESTMENT POLICY
FY 2020-21

IV. Ethics and Conflicts of Interest

Officers involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair or create the appearance of an impairment of their ability to make impartial decisions. Investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of OCCOG.

V. Delegation of Authority

Authority to manage OCCOG's investment program is derived from California Government Code Sections 6509.5, 6505.5. and 53601.. The Board of Directors delegates to the Treasurer the primary responsibility for the organization's investment program and the authority to invest funds.

VI. Internal Controls

The Treasurer shall establish administrative procedures and internal controls for the operation of the investment program consistent with this Policy. Such procedures shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, or imprudent actions by officers of OCCOG.

VII. Objectives

OCCOG's funds shall be invested in accordance with all applicable OCCOG policies and codes, State statutes, and Federal regulations, and in a manner designed to accomplish the following objectives, which are listed in priority order:

1. Safety of principal: Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. OCCOG shall seek to preserve principal by mitigating the two types of risk, credit risk and interest rate risk. Investment decisions should not incur unreasonable credit or interest rate risks in order to obtain current investment income.
 - Credit Risk: Defined as the risk of loss due to failure of the security issuer or backer.
 - Interest Rate Risk: Defined as the risk of market value fluctuations due to overall changes in the general level of interest rates.

ORANGE COUNTY COUNCIL OF GOVERNMENTS
STATEMENT OF INVESTMENT POLICY
FY 2020-21

2. Maintenance of Liquidity: OCCOG's investment portfolio shall remain sufficiently liquid to enable it to meet all operating requirements which might be reasonably anticipated.
3. Return on Investments: OCCOG's investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with the organization's risk constraints and the cash flow characteristics of the portfolio.

VIII. Permitted Investments

OCCOG's investments are governed by California Government Code, Sections 53600 et seq. Within the investments permitted by the Code, OCCOG seeks to further restrict eligible investments to the guidelines listed below. In the event a discrepancy is found between this policy and the Code, the more restrictive parameters will take precedence. Percentage holding limits listed in this section apply at the time the security is purchased.

Any investment currently held at the time the policy is adopted which does not meet the new policy guidelines can be held until maturity, and shall be exempt from the current policy. At the time of the investment's maturity or liquidation, such funds shall be reinvested only as provided in the current policy.

The portfolio shall be diversified by security type and institution to avoid incurring unreasonable and avoidable risks regarding specific security types or individual issuers.

- **State of California Local Agency Investment Fund (LAIF)**, provided that:
 - OCCOG may invest up to the maximum permitted amount in LAIF; and,
 - LAIF's investments in instruments prohibited by or not specified in this Investment Policy do not exclude it from OCCOG's list of allowable investments, provided that the fund's reports allow the Treasurer to adequately judge the risk inherent in LAIF's portfolio.
- **Local government investment pools (other than LAIF)**, provided that:
 - The Treasurer shall conduct a thorough investigation of any pool prior to making an investment, and on a continual basis thereafter. The Treasurer shall develop a questionnaire which will answer the following general questions:

ORANGE COUNTY COUNCIL OF GOVERNMENTS
STATEMENT OF INVESTMENT POLICY
FY 2020-21

- A description of eligible investment securities, and a written statement of investment policy and objectives.
- A description of interest calculations and how it is distributed, and how gains and losses are treated.
- A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
- A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.
- A schedule for receiving statements and portfolio listings.
- A fee schedule, and when and how is it assessed.

No more than 30% of the portfolio shall be invested in local government investment pools other than LAIF and OCCOG's investment in any such pool shall comprise no more than 5% of the market value of the total assets of the investment pool, measured at month-end.

- **Money market mutual funds** that are registered with the Securities and Exchange Commission under the Investment Company Act of 1940:
 - Provided that such funds meet either of the following criteria:
 - Attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs; or,
 - Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations authorized by California Government Code Section 53601 (a through j) and with assets under management in excess of \$500 million.
 - Purchase of securities authorized by this subdivision may not exceed 20% of the portfolio.

IX. Collateralization

In accordance with the provisions of California Government Code Sections 53651, 53652, 53656 and 53657, all deposits of OCCOG, including certificates of deposit and special time deposits in excess of the amount insured under the provisions of the Federal Deposit Insurance Act, shall be secured by a pledge of "eligible securities" with an aggregate "market value" as required by said California Government Code Section 53652.

ORANGE COUNTY COUNCIL OF GOVERNMENTS
STATEMENT OF INVESTMENT POLICY
FY 2020-21

X. Portfolio Risk Management

Prohibited investment vehicles and practices:

- State law notwithstanding, any investments not specifically described herein are prohibited, including, but not limited to futures and options.

Mitigating credit risk in the portfolio:

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. OCCOG will mitigate credit risk by adopting the following strategies:

- The diversification requirements included in Section VIII are designed to mitigate credit risk in the portfolio;

Mitigating market risk in the portfolio:

Market risk is the risk that the portfolio value will fluctuate due to changes in the general level of interest rates. OCCOG recognizes that, over time, longer-term portfolios have the potential to achieve higher returns. On the other hand, longer-term portfolios have higher volatility of return. OCCOG will mitigate market risk by providing adequate liquidity for short-term cash needs, and by making longer-term investments only with funds that are not needed for current cash flow purposes. OCCOG adopts the following strategies to control and mitigate its exposure to market risk:

- OCCOG will monitor its cash flow needs and maintain sufficient liquidity for expected disbursements;
- Within the limits of this Policy and State law, to the extent possible, OCCOG will attempt to match its investments with anticipated cash flow requirements.

XI. Performance Standards/Evaluation

The investment portfolio will be managed in accordance with the parameters specified within this policy. OCCOG's portfolio shall be designed with the objective of regularly meeting or exceeding a selected market benchmark. The benchmark for FY 2020-21 will be the LAIF rate of return. Return comparisons of the portfolio to the market benchmark will be calculated on a monthly basis. When comparing the performance of OCCOG's portfolio to the benchmark, portfolio returns shall be calculated net of fees and expenses involved with managing the portfolio.

ORANGE COUNTY COUNCIL OF GOVERNMENTS
STATEMENT OF INVESTMENT POLICY
FY 2020-21

XII. Reporting

Monthly investment reports will be submitted by the Treasurer to the Board of Directors. These reports will disclose information about the status of the current investment portfolio, its risk characteristics and market value. The reports shall include, at a minimum:

- A management summary report that shows:
 - Cost, market value, average yield and average days to maturity for the investment portfolio;
 - Cash receipts and disbursements for the period.
 - A statement of compliance with the Investment Policy, including a schedule of any transactions or holdings which do not comply with this policy or with the California Government Code, including a justification for their presence in the portfolio and a timetable for resolution; and,
 - A statement that OCCOG has adequate funds to meet its cash flow requirements for the next six months.
- An asset listing showing par value, cost, accurate and complete market value of each security, type of investment, issuer, maturity date and yield to maturity;
- Investment transactions for the period;
- Average maturity of the portfolio;
- Sector allocation and maturity distribution of the portfolio;
- Average portfolio credit quality;

Some of the required investment information may be included in the monthly reports from the State of California Local Agency Investment Fund (LAIF) and the local government investment pools, which will be included in the monthly Treasurer's Report.

In addition to the monthly reports, the Treasurer may provide additional reports to the Board at other, unspecified times as needed or requested.

XIII. Investment Policy Adoption

The Investment Policy shall be reviewed annually by the Treasurer to ensure its consistency with the global objective of preservation of investment principal, sufficient liquidity, rate of

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return and relevance to current laws and financial trends, and to comply with any changes to State law or other regulations and/or laws governing investment of public funds.

The Treasurer shall render the Investment Policy annually to the Board of Directors for review at a public meeting. Any modifications to the Policy must be approved by the Board of Directors at a public meeting.

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Summary Table of Permitted Investments

Investment Type	Maximum Maturity Limit	Maximum Percent of Portfolio	Maximum Percent per Issuer	Minimum Ratings
Local Agency Investment Fund (LAIF)	None	*	*	N/A
Local Government Investment Pools, other than LAIF	None	30%	See Policy	N/A
Money Market Mutual Funds	None	20%	N/A	Two Highest Rated Equivalents

**Maximum amount set by State of California Government Code and LAIF Governing Board; as of adoption the maximum amount is \$65,000,000*

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Glossary of Investment Terms

- BENCHMARK.** A comparison security or portfolio. A performance benchmark is a partial market index, which reflects the mix of securities allowed under a specific investment policy.
- COLLATERAL.** Securities or cash pledged by a borrower to secure repayment of a loan or repurchase agreement. Also, securities pledged by a financial institution to secure deposits of public monies.
- CREDIT RISK.** The risk that principal and/or interest on an investment will not be paid in a timely manner due to changes in the condition of the issuer.
- DIVERSIFICATION.** Dividing investment funds among a variety of investments to avoid excessive exposure to any one source of risk.
- FEDERAL FUNDS RATE.** The rate of interest charged by banks for short-term loans to other banks. The Federal Reserve Bank through open-market operations establishes it.
- FEDERAL OPEN MARKET COMMITTEE.** A committee of the Federal Reserve Board that establishes monetary policy and executes it through temporary and permanent changes to the supply of bank reserves.
- LIQUIDITY.** The speed and ease with which an asset can be converted to cash.
- LOCAL AGENCY INVESTMENT FUND (LAIF).** A voluntary investment fund open to government entities and certain non-profit organizations in California that is managed by the State Treasurer's Office.
- LOCAL GOVERNMENT INVESTMENT POOL (LGIP).** Investment pools that range from the State Treasurer's Office Local Agency Investment Fund (LAIF) to county pools, to Joint Powers Authorities (JPAs). These funds are not subject to the same SEC rules applicable to money market mutual funds. LGIPs exclude LAIF for the purposes of this Investment Policy.
- MARKET RISK.** The risk that the value of securities will fluctuate with changes in overall market conditions or interest rates.
- MARKET VALUE.** The price at which a security can be traded.
- MARKING TO MARKET.** The process of posting current market values for securities in a portfolio.
- MATURITY.** The final date upon which the principal of a security becomes due and payable.
- MONEY MARKET.** The market in which short-term debt instruments (T-bills, discount notes, commercial paper, and banker's acceptances) are issued and traded.
- MUTUAL FUND.** An entity which pools the funds of investors and invests those funds in a set of securities which is specifically defined in the fund's prospectus. Mutual funds can be invested in various types of domestic and/or international stocks, bonds, and money market instruments, as set forth in the individual fund's prospectus. For most large, institutional investors, the costs associated with investing in mutual funds are higher than the investor can obtain through an individually managed portfolio.
- NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATION (NRSRO).** Examples include S&P, Moodys, and Fitch ratings.
- PRUDENT PERSON (PRUDENT INVESTOR) RULE.** A standard of responsibility which applies to fiduciaries. In California, the rule is stated as "Investments shall be managed with the care, skill, prudence and diligence, under the circumstances then prevailing, that a prudent person, acting in a like capacity and familiar with such matters, would use in the

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conduct of an enterprise of like character and with like aims to accomplish similar purposes.”

REALIZED YIELD. The change in value of the portfolio due to interest received and interest earned and realized gains and losses. It does not give effect to changes in market value on securities, which have not been sold from the portfolio.

TOTAL RATE OF RETURN. A measure of a portfolio’s performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains, and losses in the portfolio.

VOLATILITY. The rate at which security prices change with changes in general economic conditions or the general level of interest rates.

YIELD TO MATURITY. The annualized internal rate of return on an investment which equates the expected cash flows from the investment to its cost.



AGENDA ITEM #5 Rescheduling of November/December Regular OCCOG Meeting

SUMMARY

For its November meeting, the OCCOG has historically chosen either the fifth Thursday in November or the first week in December to avoid conflict with the Thanksgiving Holiday. This year, to avoid the minefield of TCA, SCAG, AQMD, XYGS, etc., meetings, staff is proposing the OCCOG hold its Regular November Meeting on December 3, 2020, at 10:30 a.m.

STAFF RECOMMENDATION

Schedule the OCCOG Regular Meeting for Thursday, December 3, 2020, at 10:30 a.m.

Attachments

None

STAFF CONTACT

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