

**County of Orange
Treasury Oversight Committee
Annual Report to the Board of Supervisors
For the Period January, 2001 to December, 2001**

The Treasury Oversight Committee was established by the Board of Supervisors in 1996 in accordance with the California Government Code Section 27130, et seq. Four Committee members were nominated by the County Treasurer and confirmed by the Board. Subsequently, a second member of the Public was added.

During 2001, six Committee meetings were held. All meetings were open to the public and were held in the Treasurer's Conference Room, Hall of Finance and Records, 12 Civic Center Plaza, Santa Ana, California on the following dates:

January 24, 2001	July 18, 2001
March 14, 2001	October 10, 2001
April 25, 2001	November 28, 2001.

Organizational changes during the year were the election at the January meeting of Charles H. Schroeder as Chairman, replacing Robert H. Fauteux who was later designated as Vice Chairman at the March meeting. On April 6, Dr. William Habermehl succeeded Dr. John Dean as Superintendent, Department of Education, joining the Committee as the representative from that organization. At the present time, the following are members of the Committee:

**Robert H. Fauteux, Member of the Public
William Habermehl, Superintendent, Department of Education
Charles H. Schroeder, Member of the Public
Michael Schumacher, County Executive Officer (CEO)
David E. Sundstrom, Auditor-Controller**

At the Investments Workshop Special Meeting of the Board of Supervisors on March 27, 2001, a presentation was made describing the role of the Treasury Oversight Committee by Committee member Robert H. Fauteux.

During the year, the Committee spent many hours deliberating modifications to the Investment Policy Statement. The basic priorities continue to be safety of principal, liquidity and attaining a competitive return for funds entrusted to the County.

In April, 2001 the contract with the Internal Audit Department for the compliance audit for the year ending December 31, 2000 was approved. The compliance audit

report was received in August. There were no significant exception items noted in this audit of investment activities of the Treasurer's Office.

The bylaws and Rules of Procedure for the Committee were reviewed during the year for conformity with requirements of California Government Code sections. No revisions requiring approval by the Board of Supervisors were identified.

It is the opinion of the Treasury Oversight Committee that during the Year 2001 the Treasurer maintained an acceptable level of compliance with the statutory requirements contained in Article 6 of Division 2 of Title 3 of the Government Code and as further required by County Resolution No. 95-946.

For the Committee

Charles H. Schroeder, Chairman