



**FINANCIAL COMMISSION
REGULAR MEETING MINUTES**

**5:30 P.M., Monday, November 18, 2013
Neutra House
181 Hillview Avenue, Los Altos, California**

Call to Order

The meeting was called to order at 5:35 P.M.

Roll Call

Commissioners present: Chair Donald Korn, Vice Chair Robin Dickson, David Byrne, Harold Guthart, Les Poltrack, and Kevin Thompson.

Commissioners absent: None

Also Present: Russell Morreale, Los Altos Finance Director and Staff Liaison
Carlos Oblites, PFM Investment Management Firm

Pledge of Allegiance

The Pledge to the Flag was conducted

Public Comment

None

Consent Items

1. Approval of Minutes

With a first motion from Commissioner Guthart and a second from Commissioner Byrne, the minutes of August 19, September 9 and September 25 were approved, including clerical corrections, with unanimous agreement.

Discussion

2. Pension Study Subcommittee Debrief

Chair Korn provided a high level summary of the results of the pension study report to City Council of October 8, 2013. This important report, as commented on by Liaison Morreale, was positively received by the City Council with a unanimous sense of gratitude and praise for a job well done in this topic of key fiscal importance. Commissioner Guthart noted that the City should remain vigilant of its review of CalPERS methods and continue to influence CalPERS for both timely and comprehensive reporting

3. Investment Portfolio Update

Carlos Oblites of PFM presented the City's investment portfolio.

A member of the public, Mr. Jean Mordo, commented on the fact that Los Altos Hills utilized the firm of PFM over the past several years and did so using a model that afforded the firm full discretion on placing investments. Mr. Mordo asked the Commission to inquire into the suitability of such an option for Los Altos as it worked well, in his opinion, for the Hills.

After discussion and questions, the report was unanimously approved for Council delivery with a first motion from Commissioner Thompson and a second from Vice Chair Dickson

3. Comprehensive Annual Financial Report (CAFR) Update

Liaison Morreale advised that the City's annual financial report audit was proceeding and would be coming to the Commission in December – possibly requiring a special meeting date with an objective of presenting to City Council by year end if at all possible.

Commission Reports:

None

Adjournment

The meeting was adjourned at approximately 7:00 P.M. with a first motion by Commissioner Guthart and a second by Chair Korn.

Respectfully Submitted,
Russell J. Morreale
Staff Liaison to the Financial Commission