



**FINANCIAL COMMISSION
REGULAR MEETING MINUTES**

**5:30 P.M., Monday July 19, 2012
Los Altos City Hall – Redwood Conference Room
1 North San Antonio Road, Los Altos, California**

Call to Order

The meeting was called to order at 5:38 P.M.

Roll Call

Commissioners present: Chair David Byrne, Robin Dickson, Harold Guthart, Roger Sievers, and Kevin Thompson

Commissioners absent: Vice Chair Donald Korn and Les Poltrack with notice

Staff Present: Russell Morreale, Staff Liaison

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 Dickson, the minutes of June 18, 2012 were approved with approval from all present.

Discussion

2. Final 2012-2013 Budget & Capital Improvement Plan (CIP) Update

Liaison Morreale provided the Financial Commission with an update on the Council action approving the final FY2012/13 operating budget and five year CIP. Morreale covered the slide presentation as provided to Council at budget adoption reviewing the minor changes made to the Biennial budget update. Morreale addressed questions regarding revenue and sales tax trends and Capital project levels.

3. Investment Portfolio Update

Liaison Morreale and investment advisor Carlos Oblites of PFM provided the Committee with an update of the investment portfolio through March and June 2012. Mr. Oblites provided a presentation and addressed questions on the status and performance of the portfolio. A general

discussion of strategy further confirmed a gradual and paced move towards diversification of the portfolio with an eye on getting LAIF levels at or below 50% of all holdings. The Committee was comfortable with investment duration of 1 to 1.5 years and comfortable with pacing the strategy to safely enhance yields.

Commission Reports:

The Committee expressed an interest in having future agenda items address two items of interest - a discussion of the level of budget authority as allowed for in the fiscal policy given prior public comment – the potential for the payoff of existing Rosita Park debt and any other existing general debt.

Adjournment

The meeting was adjourned at approximately 7P.M. with a first motion from Commissioner Thompson and a second from Commissioner Guthart

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