



MONDAY, JULY 28, 2008

5:30 P.M. –CITIZEN'S FINANCIAL ADVISORY COMMITTEE (CFAC) AGENDA  
Hillview Room 2  
97 Hillview Avenue, Los Altos, California

**ROLL CALL** Members, Paul Van Buren,, David Byrne, John Dixon, Frank Emery, Chair, Allan Hubbard, Donald Korn, Kevin Thompson, Vice-Chair and Council Finance Subcommittee members Ron Packard and Megan Satterlee.

**PLEDGE OF ALLEGIANCE**

**PUBLIC COMMENTS**

**DISCUSSION ITEMS**

Members of the audience may bring to the Committee's attention any item that is not on the agenda. Please complete a "Request to Speak" form and submit it to the staff. Speakers are generally given two or three minutes, at the discretion of the Chair. State law prohibits the Committee from acting on items that do not appear on the agenda.

1. **Minutes**

Approval of minutes for the June 2, 2008 meeting

2. **Review of 2008-2009 of Update of Financial Policies**

As part of the budget process, staff recommended changes to the Financial Policies. The proposed changes are provided as Attachment 2, including a marked up version and a final version. The marked up version identifies the deletions and additions. The final version is provided since it is easier to read.

The changes incorporate forgiving the \$2 million loan to the Community Improvement Fund/Reserve (CIP/R), closing the Facility Fund and the CIP/R and creating a new fund called the "Community Facility Renewal Fund". Assets from the closed funds would be transferred to the Community Facility Renewal Fund. The CFRF would be used for facility improvements.

City Council requested CFAC review the proposed changes to the financial policies.

**Recommendation:** Consider and approve the proposed new policies.

3. **Feedback from Subcommittee/Staff Discussion with LAIF**

Member Donald Korn and Ms. Jerome-Robinson teleconferenced with LAIF representatives on June 20, 2008 regarding questions Mr. Korn raised regarding the LAIF investment pool. A copy of written information via e-mail submitted by Dan Dowell who is an Investment Advisor with LAIF is provided as Attachment 3. This item is agendized to provide an opportunity for discussion by the full committee regarding the information received.

**Recommendation:** Discuss received information.

#### 4. Request by CFAC for a Special Project to Evaluate Using a Investment Advisor

At the June 2, 2008 meeting, CFAC suggested requesting City Council approval of a special project to evaluate the value recommending the City use a Financial Advisor. A draft memo requesting special project approval is attached for review and modification by CFAC. This agenda item can be proposed for the August 12, 2008 City Council meeting.

**Recommendation:** Motion to approve or modify and approve the proposed memo seeking an assignment of a Special Project to CFAC by City Council to evaluate the value of using an Investment Advisor to manage the City's Investment Portfolio.

#### 5. CFAC Representation at City Council Meetings

Like other Committees and Commissions CFAC will now be represented at City Council meetings. CFAC direction was to produce a list in alphabetical order. Please review the proposed list to determine members' availability for the assigned dates. If changes are needed after the approval, please advise the City Clerk directly since the representatives names are printed on the agenda.

August 12, 2008	David Byrne
August 26, 2008	John Dixon
September 9, 2008	Frank Emery
September 23, 2008	Al Hubbard
October 14, 2008	Donald Korn
October 28, 2008	Kevin Thompson
November 12, 2008	Paul Van Buren
November 25, 2008	David Byrne
December 9, 2008	John Dixon
January 13, 2008	Frank Emory

**Recommendation** Make any schedule changes and direct staff to submit the schedule to the City Clerk.

#### 6. Annual Work Plan Update

Update the work plan as appropriate, provided as Attachment 4, including some discussion of the proposed task of CFAC developing a Multi Year Revenue/Expenditure Projection

**Recommendation:** Review work plan and revise as appropriate.

### COMMITTEE REPORTS AND DIRECTIONS ON FUTURE AGENDA ITEMS

#### ADJOURNMENT

**\*Action on these items is required at this meeting.**

In compliance with the Americans with Disabilities Act, the City will make reasonable arrangements to ensure accessibility to this meeting. If you need special assistance to participate in this meeting, please contact the City Clerk 72 hours prior to the meeting at (650) 947-2720. A sound enhancement system is available. You may check out headsets, which boost the public address signal during the meeting. Please ask for assistance at the staff's desk PRIOR to the start of the meeting or during a break in the meeting.

Please take notice that the time within which to seek judicial review of any final administrative determination reached at this meeting is governed by Section 1094.6 of the California Code of Civil Procedure.

**Any writings or documents provided to a majority of the CFAC regarding any item on this agenda will be made available for public inspection at the front counter of City Hall located at One North San Antonio Rd., Los Altos during normal business hours.**

Attachment:

- Attachment 1: June 2, 2008 Minutes.
- Attachment 2: Marked Up and Final Financial Policies
- Attachment 3: E-Mail from Dan Dowell
- Attachment 4: Draft Memo Requesting Assignment of a Special Project
- Attachment 5: Updated Annual Work Plan and Calendar for 2008