



FINANCIAL COMMISSION MEETING MINUTES

5:30 P.M., February 23, 2009

The Neutra House
181 Hillview Ave, Los Altos, California 94022

Call to Order

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

Roll Call

Commission members Present: Chairperson Frank Emery, Vice-Chairperson Kevin Thompson, David Byrne John Dixon, Alan Hubbard, Donald Korn and Paul Van Buren

Commission members Absent: None

Staff Present: Russell Morreale & Tracy Kwok

Pledge of Allegiance

The pledge of the flag was not called for given the absence of the US colors

Public Comment

No members of the public attended.

Consent Items:

- Approval of the Minutes of January 26, 2009 were approved unanimously as moved by commissioner Korn and seconded by Commissioner Hubbard. In this same motion corrections to the October 14, 2008 minutes were also approved

Discussion

1. Election of Commission Chair & Vice Chair for 2009

Commissioner Van Buren moved to re-appoint Frank Emery as commission chair and Kevin Thompson as vice chair. Commissioner Byrne seconded the motion which was unanimously approved.

2. Status of New Committee Member Nominations

Staff Liaison, Russell Morreale provided the most recent roster indicating each commissioner's term dates as listed below. The closest term date fell in 2010 at the earliest bypassing the need for any immediate action. After some discussion, the commissioners directed staff to clarify term dates by month and year to add specificity. Staff was also to inquire into how the term dates were impacted for those commissioners beginning service mid-term

- Kevin Thompson 1st Term 2010
- Donald Korn 2nd Term 2010
- John Dixon 1st Term 2012
- Paul Van Buren 2nd Term 2012
- Alan Hubbard 1st Term 2012
- David Byrne 1st term 2012
- Frank Emery 2nd Term 2012

3. Status of Commission Members Ethics Training

Staff Liaison, Russell Morreale advised commission members of the need to maintain bi-annual ethics training requirements with the FPPC. Most commissioners indicated they were up to date and commissioner Byrne provided staff with his updated training certification at the meeting. Russell Morreale asked commissioners to provide copies of their most recent training certifications for file maintenance in City Hall. On a related note, staff reminded commissioners of the need to complete and file their annual form 700 forms with City Clerk Susan Kitchens, the filing agent of record. Form 700s forms are due by April 1, 2009.

4. Subcommittee Audit Services Committee Recommendation

The audit selection committee (commissioners Emery, Hubbard, and Paul Van Buren) advised that they had completed their request for proposal review and were prepared to provide a recommendation to the commission. Several requests were circulated resulting in two bids, including our current auditors Vavrinek, Trine, Day. The committee reviewed proposals, held interviews, and received reference comments from staff. The committee recommended that the commission recommend awarding a contract to a new audit firm, Caporicci and Larson, the prevailing bidder. The commission also advised staff to construct a contract for a three year term with a two year option based on service levels. Commissioner Hubbard moved to accept the committee's recommendation, commissioner Van Buren seconded and the motion passed unanimously.

5. Subcommittee Report – Investment Services – Review & Direction

Vice Chair Kevin Thompson reported the status of investment services review process. Commissioner Thompson indicated that the subcommittee had undergone an extensive Request for Information (RFI) process that has proven valuable and informative. Much

remains to be analyzed but the sub-committee is well on its way to making a recommendation and plans to hold interim discussions before March 23rd at which time a final recommendation will be presented.

Adjournment

Commissioner Emery moved adjournment of the meeting, with a second from Commissioner Van Buren. The motion passed unanimously. The meeting was adjourned at 7:05 P.M.

Respectfully Submitted,

Russell J. Morreale
Staff Liaison to the Financial Commission