



**FINANCIAL COMMISSION  
MEETING MINUTES**

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**5:30 P.M., August 16, 2010**

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

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**Call to Order**

The meeting was called to order at 5:34 P.M.

**Roll Call**

**Commission members present:** Chair Kevin Thompson, Vice Chair Al Hubbard, David Byrne, Frank Emery

**Commission members absent:** Paul Van Buren, John Dixon, Donald Korn

**Staff Present:** Russell Morreale, Staff Liaison

**J. Logan**

**Pledge of Allegiance**

The pledge to the flag was called for.

**Public Comment**

None

**Consent Items:**

**1. Commission Minutes**

- The minutes of July 19, 2010 were reviewed and approved. A motion of approval was made by Commissioner Bryne, seconded by Commissioner Hubbard and unanimously approved.

**Discussion**

**2. Presentation By Staff – Basic of Cal PERS Benefits & Reform Discussions With City Council**

- This item was taken out of order per the request of Chair Thompson and general agreement of the group in recognition of our invited guest speaker, Assistant City Manager – J. Logan. Logan provided an update on the current state of pension

reform in the City of Los Altos highlighting CALPERS local government options, the recent report and City Council action to implement the very first two-tier benefit system, and the recent Santa Clara Grand Jury report on the sustainability of government employee costs. Logan provided several key documents that are attached these minutes as Exhibit A. After much discussion, the Commission asked staff for several follow up items including – providing copies of the City’s active labor agreements, providing a schedule of salary ranges, and looking into the process and fiscal implication of a PERS plan buyout. Additionally, Commissioner Korn advised that he is pursuing the possibility of having a distinguished speaker from Stanford University attend our upcoming meeting to discuss PERS reform policy at the national and state level. All commissioners welcomed such an invitation.

### **3. Investment Portfolio Draft Report**

- Liaison Morreale provided a brief update on the Investment Portfolio activity and handed out a draft portfolio report to be presented to City Council within the next few weeks. The group generally agreed with the draft report format and concurred with the plan to move ahead with quarterly Council presentations and updates.

### **4. Fiscal Policy Update**

- Liaison Morreale briefly updated the group on the status of the fiscal policy update indicating it was undergoing final City review and is scheduled for Council presentation in September. Morreale thanked the group for their invaluable comments on the initial draft.

### **5. Work Plan**

- Liaison Morreale handed out the final 2010-2011 Work Plan as modified per the previous meeting including future meeting dates

### **Commission Reports:**

None

### **Adjournment**

Vice Chair Hubbard moved to adjourn the meeting with a second by Commissioner Emery - All agreed to adjourned the meeting at 7:08 P.M.

Respectfully Submitted,

Russell J. Morreale  
Staff Liaison to the Financial Commission

**Exhibit A**  
**PERS Materials Handed Out August 16, 2010**