



**FINANCIAL COMMISSION
REGULAR MEETING MINUTES**

**5:30 P.M., Monday, October 15, 2012
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 David Byrne, Vice Chair Donald Korn, Robin Dickson, Roger Sievers, Les Poltrack and Kevin Thompson.

Commissioners absent: Harold Guthart with notice

Staff Present: Russell Morreale, Staff Liaison
Marcia Somers, Los Altos City Manager

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 Dickson and a second from Commissioner Sievers, the minutes of September 17, 2012 were approved, with a minor clerical edit, with unanimous agreement.

Discussion

2. Progress Report On Pension Plan Alternatives

Chair Korn and subcommittee members, Commissioners Sievers and Thompson, presented a status report on the progress made by the pension alternatives study sub-committee with a focus on defining the scope of the study as presented on **attachment 1** to these minutes. After group discussion, the project scope as defined on the aforementioned attachment was unanimously approved with a motion from Commissioner Poltrack and a second from Commissioner Sievers.

On this same item, the subcommittee members discussed next action steps and all concurred on a plan of action that included the following:

- Defining City pension plan details

- Having the auditors present GASB 67 & ^8, the new pension standards
- Having a discussion with the City's CalPERS actuaries
- Compiling Peer City Data using an accepted comparison base
- Developing a financial sensitivity analysis
- Producing a draft report for review and comment
- Inviting a local regional expert to speak to the Commission – Possibly Dr. Tony T. Oliveira

Commission Reports:

None

Adjournment

The meeting was adjourned at approximately 6:45P.M. with a first motion from Commissioner Thompson and a second from Commissioner Sievers

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

Attachment 1

DRAFT

A Report on Pension Plan Alternatives for the City of Los Altos

Table of Contents

- I. Summary of Findings and Considerations for Council
- II. Legislative Background and Economic Setting
- III. Pension Administration by CalPERS
- IV. Los Altos Pension Programs and Obligations
- V. Peer City Comparisons
- VI. Effect of New Government Accounting Standards
- VII. Pension Impacts Sensitivity Analysis
- VIII. Potential Alternatives For Consideration
- IX. Appendices