

**MINUTES OF THE REGULAR MEETING OF THE FINANCIAL COMMISSION OF
THE CITY OF LOS ALTOS, HELD ON MONDAY, APRIL 15, 2019, AT 6:00 P.M.
AT HILLVIEW COMMUNITY CENTER – ROOM #2, 97 HILLVIEW AVENUE
LOS ALTOS, CALIFORNIA**

ROLL CALL

PRESENT: Chair Kalkat, Vice Chair McClatchie (Arrived 6:10 PM), Commissioners, Marek, Kalbach, and Richmond

ABSENT: Commissioners Martin and Roat

PUBLIC COMMENTS

1. Divestment Policy Request

Cheryl Leaden with Green Town Los Altos provided public comment on divesting from investments in fossil fuel companies and financial institutions that invest in fossil fuel companies. Cheryl noted the surrounding cities of Mountain View, Palo Alto, and Sunnyvale have incorporated divestment policies.

The commission would like to revisit this item during the next review of the City's Investment Policy in 2020.

ITEMS FOR CONSIDERATION/ACTION

1. Approved minutes of the regular meeting of March 18, 2019

Action: Upon a motion by Commissioner Richmond seconded by Commissioner Kalbach the Commission approved the minutes of the meeting of March 18, 2019 by the following vote: AYES: Kalkat, McClatchie, Marek, Kalbach, and Richmond; NOES: None; ABSTAIN: None; ABSENT: Martin and Roat

2. Recommend the updated City of Los Altos Investment Policy be moved forward for City Council approval

Action: Upon a motion by Commissioner Kalbach seconded by Commissioner Richmond the Commission Recommend the updated City of Los Altos Investment Policy be moved forward for City Council approval with the following changes by the following vote: AYES: Kalkat, McClatchie, Marek, Kalbach, and Richmond; NOES: None; ABSTAIN: None; ABSENT: Martin and Roat

Changes:

Summary of current changes

Security Type	California Government Code	City's Approved 2018 Policy	2019 PFMAM Recommendations	2019 Financial Commission
Supranationals	5 years 30% of portfolio "AA" rated	AAA rated 10% of portfolio	AAA rated 30% of portfolio	AAA rated 20% of portfolio <u>10% of portfolio</u>

INFORMATIONAL ITEMS

3. FY 2019-20 & FY 2020-21 Budget & 5-Year Capital Improvement Plan Update

Administrative Services Director Etman provided a status on the 2-year budget and 5-year CIP Plan. Staff is currently developing the budget for the 2-year budget cycle and the 5-year CIP Plan which is scheduled to go before Council in the first meeting of June 2019. This year's 2-year budget will tie in performance outcomes and performance measures.

COMMISSION AND STAFF REPORTS AND DIRECTIONS ON FUTURE AGENDA ITEMS

4. Meeting with the Mayor

Chair Kalkat reported that he attended a special meeting with the Commission Chairs on Tuesday, March 19, 2019 at 6:00 PM in the Community Meeting Chambers (1 N. San Antonio Road). There was a roundtable discussion about what each commission does and what they are focusing on this year.

The mayor would like to see more commissions at City Council meetings providing their expertise on agenda items. Chair Kalkat shared that himself and other Commissioners feel conflicted commenting on agenda items because there is not a distinction between speaking as residents versus speaking as commissioners. Commissions would prefer a formal invitation to attend City Council meetings as commissioners so there isn't ambiguity.

Additionally, the Mayor would like to have a recurring meeting with all Commission Chairs every six months.

5. Review and update the City's Financial Policy

Administrative Services Director Etman provided the Financial Commission with a copy of the City's Financial Policy that was last updated in April 2015. Administrative Services Director Etman asked the commission to review it and recommended the Financial Policy be added as an item to the June 2019 Financial Commission Meeting.

ADJOURNMENT

Chair Kalkat adjourned the meeting at 7:20 PM.