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**MINUTES OF THE MEETING OF THE FINANCIAL COMMISSION OF THE CITY
OF LOS ALTOS, HELD ON, MONDAY, March 20, 2023, AT 6:00 P.M.
VIDEO/ TELECONFERENCE**

ROLL CALL

PRESENT: Chair Kalkat, Vice-Chair McClatchie, Commissioners Claras, Frey, Kalbach, Richmond, Whipple

ABSENT: None

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

None

ITEMS FOR CONSIDERATION/ACTION

1. Approval of Minutes of the Meeting, February 27, 2023

Action: The Commission approved the minutes of the meeting of February 27, 2023, by the following vote: AYES: Chair Kalkat, Vice-Chair McClatchie, Commissioners, Claras, Frey, Kalbach, Richmond, Whipple. NOES: None; ABSTAIN: None; ABSENT: None

2. CAMP (California Asset Management Program) Presentation

Kyle Tanaka, a representative of the California Asset Management Program (“CAMP”), made a presentation to the Commission regarding the possibility of the City using CAMP as a potential alternative to the Local Agency Investment Fund (“LAIF”) for the investment of short-term funds. Also present for this discussion was Wale Kajopaiye, a representative of the City’s Investment Advisor, PFM Asset Management (“PFM”). Following the presentation, a discussion ensued during which Messrs. Tanaka and Kajopaiye answered the questions posed by the Commissioners.

After Messrs. Tanaka and Kajopaiye departed the meeting, a further discussion ensued regarding the steps necessary to cause CAMP to be approved as a permitted investment option for the City consistent with the prior recommendation of PFM. It was agreed that the Finance Director would pursue the approval of the necessary modification to the City’s Investment Policy to make CAMP a permitted option and thereafter make a recommendation to the Commission regarding any suggested use of CAMP.

Action: The Commission received the presentation

3. FY22 Audit Review Discussion

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Grace Zhang, a representative of the City's independent audit firm, Maze & Associates, made a presentation to the Commission regarding the results of the fiscal year 2022 audit, including the required communications of the audit firm. A discussion ensued involving Ms. Zhang, the Finance Director and the Commission, the topics of which included, among others, policies for cyber security, review of the City's internal controls over financial reporting and the audit process in general.

The Finance Director next led a discussion of the draft Annual Comprehensive Financial Report ("ACFR") that had been provided to the Commission in advance of the meeting and in which Ms. Zhang participated. The Commissioners posed a number of questions, and provided a number of comments regarding the draft ACFR, including as to the presentation of certain liabilities. In addition to the substantive questions and comments posed, it was noted that the draft would benefit from a further review by the Commissioners and a process was established to deliver any additional comments to the Finance Director.

The Finance Director was also encouraged that, with respect to fiscal year 2023 and assuming a return to normalized staffing levels, the City consider recommencing its pre-pandemic practice of providing a simplified financial report directly to residents.

4. Discussion Items

Financial Policy Discussion.

Action: The Finance Director will send the updated Financial Policy to the Commission.

COMMISSION AND STAFF REPORTS AND DIRECTIONS ON FUTURE AGENDA ITEMS

The Finance Director also provided information on the Tyler Technologies implementation and confirmed that she would provide regular updates to the Commission during the implementation process.

ADJOURNMENT

Adjourned the meeting at 7:51 p.m.

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SPECIAL NOTICES TO PUBLIC

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