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**MINUTES OF THE MEETING OF THE FINANCIAL COMMISSION OF THE CITY
OF LOS ALTOS, HELD ON, MONDAY, May 15, 2023, AT 6:00 P.M.**

LOS ALTOS CITY HALL CHAMBERS and VIDEO/ TELECONFERENCE

ROLL CALL

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

ABSENT: Commissioner Frey

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

None

ITEMS FOR CONSIDERATION/ACTION

1. Approval of Minutes of the Meeting, March 20, 2023

Action: The Commission approved the minutes of the meeting of March 20, 2023, by the following vote: AYES: Chair Kalkat, Commissioners, Claras, Kalbach, Richmond, Whipple. NOES: None; ABSTAIN: Vice-Chair McClatchie; ABSENT: Commissioner Frey

2. Quarterly Investment Portfolio Report- Quarter Ended March 31, 2023

Monique Spyke, a representative of the City's financial asset manager, PFM, made a presentation to the Commission on the Quarterly Investment Report for the quarter ending March 31, 2023. Ms. Spyke's presentation addressed, among other things, the current financial climate including the bank crisis and possible debt ceiling default affecting investments. A discussion ensued and Ms. Spyke addressed the questions posed by the commissioners.

Upon completion of the PFM presentation, the commission had a further discussion with the Finance Director on the revision of the investment policy to permit investments with CAMP (California Asset Management Program), establishing an account at CAMP, and the use of CAMP where that investment provided a more favorable return compared to similar alternative investments. The Commission also requested to be advised at such time as investments may be made in CAMP.

Action: The Commission resolved to recommend the Quarterly Investment Portfolio Report for quarter ending March 31 for action by the City Council at its meeting, with such resolution being proposed on a motion by Commissioner Whipple, seconded by Commissioner Kalbach, and approved by the Commission by the following vote: AYES: Chair Kalkat, Commissioners, Claras, Kalbach, Richmond, Whipple. NOES: None, ABSTAIN: Vice-Chair McClatchie; ABSENT: Commissioner Frey

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3. Financial Policy Discussion

The Finance Director proposed revisions to the Financial Policy to, among other things, meet criteria relevant to Government Finance Officers Association standards. Proposed revisions of the Financial Policy were discussed, including with respect to several topics that the Commissioners agreed to provide suggested edits related to, in particular: a request to include Investment Management, IT systems policy, CIP clarity, and a potential subcommittee for an audit review. There were additional edits requested for operating reserve, capital acquisitions, and emergent opportunities.

Action: The Finance Director will propose a further revised draft of the Financial Policy including giving effect to additional suggestions to be provided by certain of the Commissioners.

4. Special Financial Commission Meeting May 22, 2023

COMMISSION AND STAFF REPORTS AND DIRECTIONS ON FUTURE AGENDA ITEMS

None

ADJOURNMENT

Adjourned the meeting at 8:07 p.m.

SPECIAL NOTICES TO PUBLIC

In compliance with the Americans with Disabilities Act, the City of Los Altos will make reasonable arrangements to ensure accessibility to this meeting. If you need special assistance to participate in this meeting, please contact the City Clerk at least 48 hours prior to the meeting at (650) 947-2720.

Agendas, Staff Reports and some associated documents for Financial Commission items may be viewed on the Internet at <http://www.losaltosca.gov/meetings>.

If you wish to provide written materials, please provide the Commission Staff Liaison with **10 copies** of any document that you would like to submit to the Commissioners in order for it to become part of the public record.

For other questions regarding the meeting proceedings, please contact the City Clerk at (650) 947-2720.