

**MINUTES OF THE MEETING OF THE FINANCIAL COMMISSION OF  
THE CITY OF LOS ALTOS, HELD ON MONDAY, FEBRUARY 10, 2025,  
AT 6:00 P.M. HELD AT 97 HILLVIEW AVENUE, LOS ALTOS,  
CALIFORNIA 94022**

**ROLL CALL**

PRESENT: Chair Ottoes, Vice Chair Richmond, Commissioners Claras, Fowler, Jain, Zhang

ABSENT: None

**PLEDGE OF ALLEGIANCE**

Chair Ottoes led the Pledge of Allegiance.

**PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA**

None

**ITEMS FOR CONSIDERATION/ACTION**

1. Commission minutes: Approve the minutes of the January 27, 2025 Financial Commission meeting

Action: Upon a motion by Chair Ottoes, seconded by Commissioner Claras, the Commission unanimously approved the minutes of the January 27, 2025 Financial Commission meeting.

2. Preliminary audit results: Receive the draft FY 2023/24 Annual Comprehensive Financial Report

Ahmed Badawi of Badawi & Associates presented the results of the FY 2023/24 financial audit, the FY 2023/24 Annual Comprehensive Financial Report and answered Commission questions.

3. Investment Policy and Quarterly Investment Reports: Receive the Quarterly Investment Reports for quarters ended September 30, 2024 and December 31, 2024; and review the City of Los Altos Investment Policy and recommend changes as needed

Staff introduced the item and John Grady and Bob Shull of Public Trust Advisors answered Commission questions.

The Commission deferred to Public Trust Advisors to recommend any changes to the Investment Policy.

4. Fiscal Year 2024/25 Mid-Year Budget Adjustments: Review the Fiscal Year 2024/25 Mid-Year Budget Adjustments

Staff presented the draft mid-year budget adjustments.

5. City of Los Altos PERS Reserve: Discuss the use of funds from the PERS Reserve to prefund the City's Unfunded Accrued Liability, determine an ideal funding ratio for the City's pension obligations and discuss additional options to further plan for payment of the City's pension obligation

Staff introduced the item.

Direction: The Commission generally directed that the City strive to achieve an 80% funding ratio for pension obligations over five years and then seek to establish a Section 115 Trust to further offset pension obligations. This strategy is to be aspirational in nature as funds are available.

6. Key Performance Indicators Subcommittee: Receive an update from the Key Performance Indicators Subcommittee and provide direction as needed

The members of the subcommittee presented the item.

Action: Upon a motion by Commissioner Claras, seconded by Commissioner Jain, the Commission unanimously recommended inclusion of key performance indicators as part of the FY 2025/26 budget and requested an agenda item in April 2025 to discuss further.

7. Commission Work Plan: Review and update the Commission Work Plan and provide direction for the discussion with City Council scheduled for February 25, 2025

The Commission reviewed the Work Plan.

## **POTENTIAL FUTURE AGENDA ITEMS**

## **ADJOURNMENT**

Chair Ottoes adjourned the meeting at 8:34 p.m.