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**MINUTES OF THE MEETING OF THE FINANCIAL COMMISSION OF THE CITY
OF LOS ALTOS, HELD ON, Tuesday, August 21, 2023, AT 6:00 P.M.
VIDEO/ TELECONFERENCE**

ROLL CALL

PRESENT: Chair Kalkat, Commissioners Claras, Frey, Kalbach, Richmond, Whipple
Vice Chair McClatchie video/ teleconference from 9, 3f1 Brougham Street, Tollcross,
Edinburgh Scotland

ABSENT: Commissioners Frey, Kalbach

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

None

ITEMS FOR CONSIDERATION/ACTION

1. Approval of Minutes of the Meeting, May 30, 2023

Action: The Commission approved the minutes of the meeting of May 30, 2023, by the following vote: AYES: Chair Kalkat, Vice-Chair McClatchie, Commissioners Claras, Richmond, Whipple. NOES: None; ABSTAIN: None; ABSENT: Commissioners Frey, Kalbach

2. Quarterly Investment Portfolio Report – Quarter Ended June 30, 2023

The Commissioners were provided with the Quarterly Investment Report for the quarter ended June 30, 2023, in advance of the meeting. The Finance Director inquired if the Commissioners had any questions regarding the report, which was in the standard form provided by the City's investment advisor, PFM. The Commissioners inquired regarding cash management practices, including the current cash balance, the investment of cash balances among operating and investment accounts, the investment yield applicable to the investment accounts being used, and continuing efforts to maximize interest income. A discussion ensued. After the discussion, Finance Director June Du recommended to present the Quarterly Investment Portfolio Report for the Quarter Ended June 30, 2023, to the City Council on August 22, 2023.

Action: The Commission approved presenting the Quarterly Investment Portfolio Report for the Quarter Ended June 30, 2023, to the City Council on August 22, 2023, by the following vote: AYES: Chair Kalkat, Vice-Chair McClatchie, Commissioners Claras, Richmond, Whipple. NOES: None; ABSTAIN: None; ABSENT: Commissioners Frey, Kalbach

3. Financial Commission Charter Discussion

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Commissioners discussed whether they should request from the City Council the modification of the Commission's work plan to include 1) oversight relating to the policies and controls surrounding spending related to the approved Capital Improvement Program projects, 2) formation of an audit sub-committee to provide more efficient oversight of the annual financial audit, and 3) oversight of the internal controls surrounding the accounting information technology system, including as to cybersecurity. The Commissioners clarified that any expansion of the work plan would involve oversight only and not involve a management function.

Action: The Commission agreed to develop a proposal that, once adopted by the Commission, would be placed on the agenda for the City Council to consider the foregoing modifications to its workplan, by the following vote: AYES: Chair Kalkat, Vice-Chair McClatchie, Commissioners Claras, Richmond, Whipple. NOES: None; ABSTAIN: None; ABSENT: Commissioners Frey, Kalbach

COMMISSION AND STAFF REPORTS AND DIRECTIONS ON FUTURE AGENDA ITEMS

The Financial Commission agreed to notice a one-item meeting with sole item on the agenda being to form a subcommittee to draft a proposal related to the workplan modifications described above, for the Commission to consider and act on, with the goal of submitting such a proposal to the City Council in October. Therefore, the decision was made to have a Special Meeting on Tuesday, August 29, 2023, 6:00 PM.

ADJOURNMENT

Adjourned the meeting at 6:51 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.