

## **FINANCIAL COMMISSION MEETING 10/16/2023 AGENDA**

**6:00 PM - Monday, October 16, 2023**

*Council Chamber, Los Altos City Hall*

**Please Note: The Financial Commission Meeting will meet in person as well as via Telephone/Video Conference; Members of the public can attend in person or phone via Telephone/Video Conference.**

### **Meeting Link:**

<https://losaltosca.gov.zoom.us/j/88558029766?pwd=F3Lc6JWnXuPG9KaSeu2SUze54fspSa.1>

**Meeting ID: 885 5802 9766 Passcode:622379**

**TO PARTICIPATE VIA THE LINK ABOVE**– Members of the public will need to have a working microphone on their device and **must have the latest version of Zoom.**

Public testimony will be taken at the direction of the Chair and members of the public may only comment during times allotted for public comments. Members of the public are also encouraged to submit written testimony prior to the meeting at [financialcommissionmeeting@losaltosca.gov](mailto:financialcommissionmeeting@losaltosca.gov). **Emails received prior to the meeting will be included in the public record.**

### **ESTABLISH QUORUM**

### **PLEDGE OF ALLEGIANCE**

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

Members of the audience may bring to the Commission's attention any item that is not on the agenda. Please complete a "Request to Speak" form and submit it to the Staff Liaison. Speakers are generally given two or three minutes, at the discretion of the Chair. Please be advised that, by law, the Commission is unable to discuss or take action on issues presented during the Public Comment Period. According to State Law (also known as "the Brown Act") items must first be noticed on the agenda before any discussion or action.

### **ITEMS FOR CONSIDERATION/ACTION**

- [1.](#) Draft Minutes: Approve Minutes for the Meeting held on August 21, 2023
2. Formally appoint Chair and Vice Chair (No Staff Report)
- [3.](#) Commission Updates

### **COMMISSIONERS' REPORTS AND COMMENTS**

**POTENTIAL FUTURE AGENDA ITEMS****ADJOURNMENT****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.

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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.

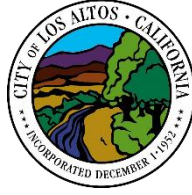
**SPECIAL NOTICES TO PUBLIC**

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## FINANCE COMMISSION AGENDA REPORT SUMMARY

**Meeting Date:** October 16, 2023

**Subject** Commission Updates

**Prepared by:** June Du, Finance Director

**Attachment(s):**

1. City of Los Altos Commission Handbook

**Purpose**

Provide updates regarding all the recent changes to commissions.

**Background**

The City Council has reviewed many aspects Commissions' operations and updated the Commission Handbook accordingly. Staff will now provide a comprehensive update, specifically as it relates to the Financial Commission.

**Discussion**

This agenda report will cover the following items:

- Meeting frequency, commission composition, and powers & duties for Financial Commission
- Attendance & Participation, including remote attendance
- Reporting
- Ad Hoc Subcommittees
- Commissioner Liaisons
- Council Liaisons
- Perceived Conflict of Interest
- Conflict of Interest
- Commission Reorganization
- Providing Public Comment



**Subject:** Commission Updates

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### Financial Commission

The City Council established the meeting frequency of the Financial Commission at 10 meetings annually, with the Commission's composition remaining at 7 members.

### Attendance & Participation

The majority of commission members are required in person for meeting to take place. Commissioners must attend 75% of regularly scheduled meetings and may attend no more than 20% of meetings remotely. Should a commission member be remote, the Chair, or the Vice Chair if the Chair is participating remotely, must ask the member(s) participating via teleconference to confirm the teleconference location was properly noticed according to State Law, the teleconference location is accessible to members of the public and whether anyone is present in the teleconference location besides the member.

### Ad Hoc Subcommittees

Commissions can establish Ad Hoc Subcommittees and can no longer have standing subcommittees. These Ad Hoc Subcommittees:

- Do not require posting, meeting in public, staff support, or minutes,
- Must have one specific topic and timeframe,
- Cannot be an area of continuing jurisdiction,
- Can only last one year maximum,
- Cannot be established in multiple years,
- Must report findings out to full Commission, and
- Will have commissioners serving on only one Ad Hoc Subcommittee at a time.

The motion of establishment must include that the Ad Hoc Subcommittee:

- Is comprised solely of members of the Commission establishing the Ad Hoc Subcommittee,
- Consists of less than a quorum of the Commission,
- Includes a defined purpose and the timeframe to accomplish that purpose and is less than one year in duration,
- Will automatically terminate when a final report is given to the Commission, or when the timeframe established by the Commission is met, unless extended by the Commission at a public meeting,
- Will not be re-established or renewed in multiple years, and
- Is advisory in nature and is not established to work on an item where continuing jurisdiction exists.



**Subject:** Commission Updates

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Commissioner Liaisons

Commissions may assign individual Commissioners to act, by a majority vote, as a liaison to other boards, commissions, or agencies, without establishing an Ad Hoc Subcommittee. The full Commission should be updated in public. The positions supported by the liaison are to be in alignment with the positions that the Commission or the City Council have taken if they have considered the topic. This liaison can be member of the public.

Council Liaisons

Council liaison's attendance is no longer required at every meeting. Council liaison will meet at a minimum with Commission Chair and Staff liaison once per year individually and once per at joint meetings of the City Council and Commission. Council liaisons shall not direct, guide or unduly influence the policy making work of the City's advisory bodies.

Perceived Conflict of Interest

Per the Los Altos Commission Handbook September 2023, page 8," A perceived conflict of interest for a Commissioner may arise from personal relationships, financial interests, serving on bodies or boards that have shared or overlapping subject matter jurisdiction as those under the jurisdiction of the Commission, or when it appears that the Commissioner's private interests impact the official duties of the Commissioner, or influence his/her decision-making."

Commissioners must notify Staff liaison, disclose perceived conflict of interest before participating in discussion, and seek out advice from City Attorney or FPCC as necessary.

Conflict of Interest (Incompatible Activities)

Per state law, a public official, including commissioners, may not engage in any activity for compensation that is inconsistent, incompatible, or in conflict with their official duties with the City.

It is ultimately the responsibility of the Commission member to identify whether they may be engaging in incompatible activities or have a perceived conflict of interest. The City Attorney should be consulted as early as possible on any matters regarding incompatible activities.

Commission Reorganization

Commission appoints Chair and Vice Chair annually at the first meeting in October. No member of a Commission may serve consecutive terms as the Chair; therefore, this role must change annually.

Providing Public Comment

Care should be taken to ensure that viewpoints expressed as public officials are consistent with City Council policy and the position of the majority of the Commission. Minority opinions are



**Subject:** Commission Updates

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allowed but Commissioners acting in the role of a Commissioner should support actions taken by a majority of the Commission.

Unless speaking as the official spokesperson for the commission at a City Council or other public forum, commissioners should begin all written or verbal comments with “I am a commissioner for the [insert commission name here], but I am speaking on behalf of myself and my own personal beliefs.”

Questions?

If any commissioners have questions, concerns, or are unclear on anything, please contact the staff liaison, Council liaison, or City Attorney.