

**CITY/COUNTY ASSOCIATION OF GOVERNMENTS
FINANCE COMMITTEE
MEETING MINUTES
November 20, 2015**

Committee Members Attending:

Art Kiesel (City of Foster City)
Jay Benton (Town of Hillsborough)
Alica Aguirre (City of Redwood City)
Bob Grassilli (City of San Carlos)

Guests or Staff Attending:

Sandy Wong, Jean Higaki - C/CAG Staff
Tracy Kwok - San Carlos Financial Services Manager

1. Call to order

At 12:05 P.M. Finance Committee meeting was called to order.

2. Public comment on related items not on the agenda.

None

3. Approval of minutes of February 26, 2015 meeting. (Action)

Member Benton moved and member Grassilli seconded approval of the minutes. Motioned passed unanimously.

4. Receive copies of monthly investment statements for July, August, and September 2015. (Information)

Finance committee members liked the revised format of the investment statements. A clarification was made regarding a couple of distributed funds to jurisdictions. These were attributed to Measure M disbursements.

Member Benton asked what “Repurchase Agreements” were. Tracy Kwok followed up via email after contacting the San Mateo County Treasurer’s Office. Repurchase Agreements are very short-term (overnight) investment of mostly Treasury Notes but occasionally Treasury Bills. They are separately reported in the investment report because of its very short-term nature.

**5. Review the C/CAG Quarterly Investment Report as of September 30, 2015.
(Information)**

Member Aguirre asked if there was a way to get a better rate. Other finance committee members clarified that the overall interest rate is not very high and that the priority adopted by the C/CAG Board is to protect the principal.

6. Recommend modifications to the C/CAG investment portfolio as needed. (Action)

Member Kiesel mentioned that although the portfolio is well within the range adopted by the board we should consider aiming to keep the County Pool funds between 40-42% since the rates are moving faster than LAIF. The moving of funds to County Pool will need to keep in mind the LAIF balance requirements for operation withdrawals.

Member Grassilli moved and member Aguirre recommended no change to the investment portfolio. Motion passed unanimously.

**7. Review and recommend approval of the C/CAG Investment Policy for FY 2015-16.
(Action)**

Tracy Kwok walked the committee through the changes made on the draft investment policy for FY 15-16. Most changes are updates to keep consistent with government codes. Clarifications and clean-up of inconsistent clauses were also made. There was a discussion regarding the commercial paper rankings. The maximum portfolio amounts were clarified to reflect the Board approved policy. The committee requested the addition of a few clarifications and glossary definitions to the policy.

Member Aguirre moved and member Benton recommended approval of the C/CAG investment policy for FY 2015-16, as amended. Motion passed unanimously.

8. Develop the 2016 Finance Committee meeting Calendar

The committee felt that it might be better to meet on the Wednesday of the same week. There was also a discussion regarding the up-coming vacant seat that will be left when Art Kiesel terms out.

Member Aguirre moved and member Benton recommended approval of the C/CAG investment policy for FY 2015-16. Motion passed unanimously.

9. Adjournment

The meeting adjourned at approximately 12:45 P.M.