

# Investment Advisory Committee Meeting (IAC)

## Minutes

### Wednesday, August 7, 2013

#### Members present

David Damm, *Chair*; Scott Below, *Vice-Chair*; Tilwanda Steinberg, *Secretary*,

#### City Staff present

Allen Thomas, *Mayor*; Barbara Lipscomb, *City Manager*; Christopher Padgett, *Assistant City Manager*; Bernita Demery, *Financial Services Director*; Kimberly Branch, *Senior Financial Services Manager*

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The meeting of the Investment Advisory Committee took place at 12:00 noon on Wednesday, August 7, 2013 in City Hall Conference Room 337.

1. **Review of Minutes from the Previous Investment Advisory Meeting (April 10, 2013)**

The minutes from the April meeting were reviewed and approved by the Committee with the exception of David Damm being absent during the April 10<sup>th</sup> meeting. Motion was made by Scott to approve minutes, seconded by Tilwanda.

2. **Review of June 30, 2013 Investment Report**

Bernita Demery stated that \$11.5M had been transferred over the last year, but it hasn't been helpful in this low yielding economy. She continued by saying that cash is down \$2M compared to prior FY. Scott made motion to approve updates, seconded by Tilwanda.

3. **Goals for the Fiscal Year**

Bernita mentioned that there were only a few goals that were being suggested. The first of those goals was adjustment of the cost-to-market adjustment. Currently this is an annual process, but it is felt that the process would be more affective if it could be a month-to-month process. The month-to-month process would allow "unrealized losses" to be caught early on. Christopher Padgett asked if Financial Services had the resources to be able to comply to such as demand and Bernita responded by saying no currently. She mentioned that currently the process would be a lot of work, but hopefully with the transition to the system, the process would become less manual.

Bernita then pointed out that once the cost-to-market adjustment process is changed that the Investment Policy would need to be revised and approved by City Council to reflect the changes to the process.

Last but not least, Bernita mentioned seeking guest speakers to give presentations. David Damm mentioned that Scott would be a great candidate for that, Scott accepted. Scott stated that he would be honored to give presentations on subjects such as Municipal Bonds, Federal Reserves, etc.

4. **Bond Proceeds Slated for the Year**

Bernita stated that the City had a couple of projects that they would be financing upcoming projects such as the parking deck and other Stormwater projects. Barbara Lipscomb stated that the City is currently looking at ways to fund projects at the lowest rates. The City was currently awarded \$2M at a rate of 0%. David asked what the current rate was on the upcoming projects and Bernita stated that the parking deck was approximately 2.6% over 15 years. The Stormwater projects have not yet been designed so the City is looking for the best option for financing.

5. **David Damm End of Service**

The Mayor started by saying that he was thankful for everyone that was on the committee, but wanted to give a special thanks to Mr. Damm for his service. David stated that he has enjoyed his time on the committee. He briefly talked about his experience on the committee and stated that the committee consisted of a great mix of individuals. Bernita stated that Mr. Damm was official a part of the committee until October 31, 2013 and stated that due to his experience with the committee, it would be appreciated if he would give the final presentation and also review the Investment Policy when changed. He agreed.

6. **Next Meeting**

David Silvas will be present.



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Bernita Demery, Director of Financial Services

Date: 8/7/2013



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Kimberly Branch, Financial Services Manager

Date: 8/7/2013