

# CITY OF SAN CLEMENTE

## Investment Advisory Committee Minutes

### Regular Meeting – July 25, 2011

A Regular Meeting of the City of San Clemente Investment Advisory Committee was called to order by City Treasurer, Pall Gudgeirsson, on July 25, 2011 at 6:05 p.m. in the Oceanview Conference Room at City Hall, 100 Avenida Presidio, San Clemente, California.

(1) **ROLL CALL**

**PRESENT:** **Investment Advisory Committee Members:**  
Pall Gudgeirsson, Bob Baker, Art Carter, Les Wells

**Staff:**  
Jake Rahn-Excused

**ABSENT:** Mark Taylor

(2) **APPROVAL OF MINUTES**

Minutes of the April 25, 2011 meeting were approved. Motion was made to approve by Les Wells, seconded by Art Carter. Approved 4-0.

(3) **INVESTMENT REPORT 4thrd QUARTER 2010-11**

Investment report for the FY 2010-11 4th quarter was presented by City Treasurer, Pall Gudgeirsson. Discussion regarding overall yield of the portfolio. Les Wells explained current market conditions which have driven the yield down for both the Treasury and Agency markets, which is a large portion of the City's portfolio. Les Wells also outlined current LAIF holdings, especially as it relates to the Treasury market and the current debate on the national debt ceiling. It was explained by Pall Gudgeirsson, that the City can only invest in the authorized investments in the Government Code and the existing investment policy. Consequently, it is difficult to increase yield without extending the duration and maturity range of the portfolio.

Pall Gudgeirsson also notified the Committee that we will consider any proposed modifications to the City Investment Policy at the next quarterly meeting of the Investment Advisory Committee in October. Any proposed changes to the policy will be acted on by the Committee and forwarded on to the City Council for adoption in November. Additionally, the Committee will also adopt approved broker/dealers at the October meeting.

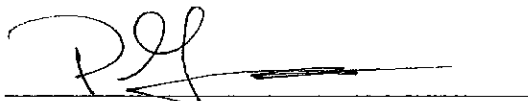
Art Carter moved to approve 4th quarter investment report, second by Les Wells. Approved 4-0.

(4) **PUBLIC INPUT**

Mr. George Gregory attended the meeting and outlined his concerns regarding the national economy and encouraged the City to actively invest in public projects while the bidding climate remains positive. It was noted that the purpose of the Investment Advisory Committee is to oversee the direct management of the City's public funds and that any budgetary actions must be considered by the City Council.

(5) **ADJOURNMENT**

Motion was made by Les Wells, seconded by Art Carter, carried 4-0 to adjourn to an Adjourned Regular Meeting to be held on October 26, 2011 (Wednesday) in the Ocean View Conference Room at City Hall, 100 Avenida Presidio, San Clemente, California.



Pall Gudgeirsson  
Chair-Investment Advisory Committee

Future Meeting Dates:

October 26, 2011

January 23, 2012