

# CITY OF SAN CLEMENTE

## Investment Advisory Committee Meeting

### Minutes – October 24, 2022

A Regular Meeting of the City of San Clemente Investment Advisory Committee was called to order by City Treasurer, Mark Taylor, on October 24, 2022 at 5:28 p.m. in the Community Conference Room at City Hall, 910 Calle Negocio, San Clemente, California.

(1) **ROLL CALL**

PRESENT: **Investment Advisory Committee Members:**

Mark Taylor, Art Carter, Steve Knoblock, Charlie Smith

**Staff:**

Courtney Farrell

Sandee Chiswick

ABSENT: Ryan Bourque

CHANDLER

REPRESENTATIVE: Jayson Schmitt

PUBLIC: None.

(2) **APPROVAL OF MINUTES**

Minutes from the November 30, 2021 meeting were approved. Motion was made to approve by Carter, seconded by Knoblock. Approved 3-0 Smith Abstained.

(3) **APPROVAL OF MINUTES**

Minutes from the July 25, 2022 meeting were approved. Motion was made to approve by Carter seconded by Knoblock. Approved 4-0

(4) **APPROVAL OF MINUTES**

Minutes from the August 30, 2022 meeting were approved. Motion was made to approve by Knoblock, seconded by Smith. Approved 4-0

(5) **APPROVE 1<sup>st</sup> QUARTER FY 2022-23 INVESTMENT REPORT**

The first quarter investment report was introduced by City Treasurer, Mark Taylor. Jayson Schmitt, Chandler Asset Management representative, reviewed the first quarter investment report with the committee and answered questions raised by committee members. City Treasurer, Mark Taylor presented additional information regarding the internally managed portfolio. Carter moved to approve the 1<sup>st</sup> Quarter FY 2022-23 Investment Report, seconded by Knoblock. Approved 4-0

(6) **INVESTMENT POLICY REVIEW AND RECOMMEND CHANGES TO CITY COUNCIL**

City Treasurer, Mark Taylor presented the Investment Policy with the recommended changes to the City's Investment Policy:

- Adding a 20% maximum for callable agencies in the portfolio to mitigate call risk (no current maximum, other than a 75% limit of U.S. Agency securities).
- Raising the LAIF limit from \$65 million to \$75 million to match the LAIF limit.
- Increase maturity limit of Negotiable Certificates of Deposit (NCDs) to five years if the amount is within the FDIC insured limit (current maturity limit is three years).

Accept Investment Policy with changes, motion made by Smith and seconded by Knoblock. Approved 4-0

City Treasurer, Mark Taylor recommended adding Supranational Securities as an Authorized and Suitable Investment," with a maximum limit of 5% to the City's Investment Policy, motion made by Smith and seconded by Carter. Failed 2-2

City Treasurer, Mark Taylor directed Jayson Schmitt from Chandler Asset Management to draft language for the Investment Advisory Committee to consider including in the Investment Policy at its next meeting: If the Investment Advisory Committee believes it is in the best interest of the City to extend the maximum maturity of permitted investments out longer than five (5) years, the Investment Advisory Committee (IAC) may submit a recommendation to the City Council for approval.

(7) **PUBLIC INPUT**

None.

(8) **ADJOURNMENT**

Motion was made by Taylor seconded by Knoblock, carried 4-0 to adjourn to the Regular Investment Advisory Committee Meeting to be held on January 23, 2023 at 5:30 p.m. at City Hall located at 910 Calle Negocio, San Clemente, California.



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Charlie Smith  
Chair-Investment Advisory Committee

Future Meeting Dates:

January 23, 2023

April 24, 2023

August 28, 2023