



City of Villa Park
17855 Santiago Boulevard
Villa Park, California 92861
(714) 998-1500

INVESTMENT ADVISORY COMMITTEE

Regular Meeting

January 23, 2008

8:30 a.m.

The Investment Advisory Committee of the City of Villa Park welcomes you to this meeting. We encourage your participation. This agenda contains a brief description of each item to be considered.

If you wish to speak on an item contained on the agenda, please approach the podium at the time the item is being considered. Upon recognition by the Chair, state your name and address for the record prior to providing your comments. Speakers will be limited to a time period set by the presiding officer.

All supporting information is available for public review in the City Hall offices.

Please Note: In compliance with the Americans with Disabilities Act, the City of Villa Park will make every reasonable attempt to accommodate attendees or participants at this meeting who need special assistance beyond what is normally provided. Please contact the City Hall at (714) 998-1500 at least 48 hours prior to this meeting to inform us of particular needs and to determine if accommodation is feasible. Please advise us at the time of your call if special assistance is required to attend or participate in meetings on a regular basis.

ORDER OF BUSINESS

1. CALL TO ORDER

2. ROLL CALL

Dan Carlberg, Chair, Investment Advisory Committee
William Nelson, Vice-Chair, Resident Member
Joe Hagler, Resident Member
Mary Jo Chorbaganian, Resident Member (Alternate)
Jim Rheins, Mayor Pro Tem, Chair City Council Finance Committee
Rich Ulmer, Council Member, City Council Finance Committee
Dennis Kuli, City Treasurer

Recognition of Re-Appointment of Dan Carlberg and Bill Nelson
Welcome to Rich Ulmer on rejoining IAC as member of Finance Committee

3. PUBLIC COMMENT

Presentation by Ray Hansen, Financial Growth Management, Inc.

4. Election of Officers

- a) Call for nominations and elections for Chair
- b) Call for nominations and elections for Vice-Chair

5. CONSENT AGENDA

All matters listed under the "Consent Agenda" are considered to be routine and are enacted by one motion approving the Recommendation listed on the Agenda. Any member of the Committee may request an item be removed from the Consent Agenda for discussion or further explanation. Unless otherwise specified in the request to remove an item from the Consent Agenda, all items removed shall be considered immediately following action on the remaining items on the Consent Agenda.

Consideration of Minutes – October 29, 2007

6. DISCUSSION ITEMS

- a) Review of Orange County Investment Pool holdings
 - a. Treasurer's Office representatives
- b) Review of CD rates and Treasury Bill options
- b) Review and Discuss the City's current investment activities

7. PUBLIC AND MEMBER COMMENT

8. ADJOURNMENT

Next meeting date April 23, 2008 at 8:30 AM.



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INVESTMENT ADVISORY COMMITTEE

October 29, 2007 Minutes

ORDER OF BUSINESS

1. CALL TO ORDER

Chair Carlberg called the meeting to order at 8:32 AM

2. ROLL CALL

The following members were present

Dan Carlberg, Chair, Investment Advisory Committee

William Nelson, Vice-Chair, Resident Member

Joe Hagler, Resident Member

Mary Jo Chorbajian, Resident Member (Alternate)

Jim Rheins, Council Member, Chair City Council Finance Committee

Brad Reese, Council Member, City Council Finance Committee (8:45 AM)

City staff present

Dennis Kuli, City Treasurer

Ken Domer, City Manager

Michelle Danaher, Finance Manager

3. PUBLIC COMMENT

There were no members of the public present. No public comment.

4. CONSENT AGENDA

It was moved by Member Nelson, seconded by Member Hagler and unanimously passed by voice vote to approve the Consent Agenda consisting of the July 25, 2007 minutes.

5. DISCUSSION ITEMS

a) Review of CD Rates and Treasury Bill options

Michelle Danaher reviewed information obtained regarding the possibility of changing banking institutions as well as the use of T-Bills to add diversity to the City's portfolio. A general discussion was held on seven day CD's from F&M Bank and laddering them, however, this was viewed as more work than worth. F&M rates are lower than the rest, but we do receive several free services. Councilmember Rheins gave a recap on why we switched from Wells Fargo years ago, including increased fees charged to the City. Member Hagler asked about the ING account and the ability of the City to invest in this. This was an item from a previous

meeting that Member Hagler and Alternate Member Chorbagian reported on. He believed the City may be able to invest since we are incorporated. City Manager Domer stated that the City would call and ask as a retail customer. Finance Manager Danaher will contact ING. Council Member Reese also asked Finance Manager Danaher to contact Citibank on similar features. Council Member Rheins asked about information regarding features listed under the Wachovia listing. Finance Manager Danaher responded that we looked at sweep accounts before but the products used were not allowed per our Investment Policy. Member Hagler said we still cannot beat LAIF and OCIP rates, only review for diversity. A brief discussion on OCIP and LAIF policies was held. Member Chorbagian stated that she looked into brokered CD's, which were better in return than ING. Council Member Rheins asked for a list of options for long term investment for the Committee to review for items such as the General Fund Reserve. This will be provided to the Committee as information in three to four weeks time. It was also requested that Staff bring long term CD rates to the meeting each time.

b) Review and Discuss the City's current investment activities

Finance Manager Danaher presented a brief overview of the current activities. A brief discussion was held regarding the activities. City Manager Domer reported that the City received reimbursement of \$205,000 from FEMA.

c) IAC Appointment Process

City Manager Domer gave an update on the current recruitment process for members of the IAC. Standard two year appointments are up for renewal/appointment in December. Chair Carlberg provided a letter requesting the consideration of his reappointment. Member Nelson will provide one as well.

6. PUBLIC AND MEMBER COMMENT

There was no public comment.

Council Member Rheins asked if there were any current changes that were needed now regarding the controversy surrounding the Orange County Treasurer and any corresponding effects to the OC Investment Pool. Member Carlberg stated that he had a concern on the OCIP based on reports. Member Hagler stated that staff should monitor the OCIP fund level and get a historical level for it so that if any action that goes beyond a pre-determined trigger occurs, we can take a responsible action. It was agreed that the City Manager would call a meeting if the County moves the OCIP function out from the Treasurer.

Member Hagler asked whether state law allows us to go outside of the current investments made. Finance Manager Danaher will look into it and make a comparison of state law and our investment policy.

7. ADJOURNMENT

The meeting was adjourned at 9:25 AM to the next meeting date of Wednesday January 23, 2007 at 8:30 AM.