

**City of South Pasadena Finance Committee
Minutes for Meeting of:
November 12, 2014, 6:00 p.m.**

Location: Western Asset Management Company
385 E. Colorado Blvd.
Pasadena, CA 91101

- I. **Roll Call** Committee Chair Adrian – Present (Arrived 6:35 p.m.)
Member Burke – Present
Member Catania – Present
Member Peters – Excused
Member Robinson – Present
City Council Liaison Khubesrian - Excused
City Treasurer Pia – Present
Finance Director Batt – Present
Asst. Finance Director Lieu – Present

Also Present: Richard Bratincevic & Andrea Vining – Morgan Stanley
Michael Komori – Western Asset

II. **Public Comment**

None.

III. **Approval of Minutes for the Meeting of July 23, 2014**

Approved 4-0 (Peters absent).

IV. **New Business**

a. Morgan Stanley/Western Asset Investments

Michael Komori of Western Asset gave a presentation about the company, and described the investments being proposed given approximately \$12 million of City funds. Richard Bratincevic of Morgan Stanley explained that approximately 70% of the portfolio will be in government securities, and no more than 30% will be in corporate bonds in accordance with the California Government Code. This will allow a significantly higher yield than the City has currently been receiving. There was discussion about the risk and analysis associated with corporate bonds, and the fees for managing the account.

Member Burke made a motion to endorse the relationship between the City and Morgan Stanley as the City's custodian and broker, and with Western Asset as the City's investment advisor. Motion passed 4-0 (Peters absent).

Closed.

b. Finance Committee Term Limits

Due to the absence of Mayor Khubesian and Member Peters, Member Catania made a motion to continue this item to the next meeting. Motion passed 4-0 (Peters absent).

V. Committee Member Comments

Committee Chair Adrian and City Treasurer Pia thanked Morgan Stanley and Western Asset for accommodating the Finance Committee's open meeting this evening.

VI. Adjournment

The meeting was adjourned at 7:15 p.m.

Accepted:

Cassie Peterson
Committee Chair Adrian

Jan 26, 2015
Date