



Minutes
Town of Atherton
April 5, 2017
4:00 P.M.
Council Chambers
94 Ashfield Road
Atherton, California
Special Meeting
Study Session

Mayor Lempres called the meeting to order at 4:00 p.m.

ROLL CALL

Council Members: Lempres, Wiest, Lewis, Widmer, DeGolia

PUBLIC COMMENTS – None.

STUDY SESSION ITEMS

1. PRESENTATION ON CERTIFICATES OF PARTICIPATION GIVEN BY URBAN FUTURES

Presenter: Michael Busch

Michael Busch from Urban Futures provided Council with a presentation on Certificates of Participation (COPs). Busch discussed the basics of public agency financing, certificates of participation and placement loans, and the financing process as it relates to the civic center project. Busch noted that there are two options for raising the funds needed to finance the project. A private placement loan from a bank or certificates of participation, which are basically bonds that do not require voter approval. Busch provided Council with different scenarios for funding the civic center project using this financing option.

Jim Massey urged Council to proceed with caution when borrowing against town assets.

Bob Polito felt that COPs had a low rate and were prudent to look into especially given the Town's future liabilities with pension and workers compensation costs.

Council Member Widmer wanted to make sure that if this option is used for financing the project that Council is clear and transparent to the public that the Town is accepting debt.

Council Member DeGolia noted that if the plan were to accept debt then the Council will definitely disclose it but we are not at that point yet. Still considering options and the COPs are only a possibility at this juncture.

Widmer understood but he also felt that the COPs would provide a good cushion to assist in avoiding last minute efforts to find funding.

Council Member Lewis thanked Busch for the information. She added that the Town is in a good financial position right now and she didn't see a need for adding costs through interest but if there are no other options then this is good to consider.

Vice Mayor Wiest concurred.

Mayor Lempres agreed with the sentiment of the Council. He added that the Council is currently going through a prudent planning process.

2. FY 2017/18 GENERAL FUND/OPERATIONS BUDGET

Report: Finance Director Robert Barron III

Recommendation: Review and discuss

Finance Director Robert Barron III provided Council with a presentation on the Draft 2017/18 General Fund/Operations Budget. The Town's General Fund Operating Budget relies on continued fiscal prudence, taking into account the need to adjust resources in order to meet any rising demands for Town services, capital improvements and priorities. The Operations Budget Report focuses on the Town's fiscal outlook of revenues and expenditures over time. Barron noted that the FY 2017/18 Budget projects a healthy outlook as the Town continues to implement current Council priorities to reduce long-term liabilities, address capital project needs, and ensure operational needs are met.

Barron reviewed General Fund major revenue funds and expenditures and major fiscal changes by Department.

Council discussed the cost of Tasers and the length of warranty associated with them, General Fund Reserve Policy, PERS unfunded liabilities, ERAF, parcel tax and the civic center funding plan.

Staff will return to Council for Budget Meeting #2 to discuss Special Funds at the April 19 regular city council meeting.

ADJOURN

MOTION by Widmer, second by Wiest to adjourn.

Mayor Lempres adjourned the meeting at 5:54 p.m.

Respectfully Submitted,

Theresa N. DellaSanta
City Clerk