



## FINANCIAL COMMISSION MEETING MINUTES

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**5:30 P.M., December 20, 2010**

The Neutra House  
181 Hillview Ave, Los Altos, California 94022

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### Call to Order

The meeting was called to order at 5:35 P.M.

### Roll Call

**Commission members present:** Chair Kevin Thompson, David Byrne, John Dixon, Donald Korn, Frank Emery

**Commission members absent:** Vice Chair Al Hubbard, Paul Van Buren None (Per Prior Notice)

**Staff Present:** Russell Morreale, Staff Liaison

### Pledge of Allegiance

The pledge was called for by Chair Thompson

### Public Comment

A member of the Public, Mr. Labetich (resident and local businessman) spoke to the Commission addressing his thoughts on how the City might look at alternative financing models as it considers the development of a new Civic Center. Mr. Labetich presented a variety of concepts mostly revolving around the idea of considering a private/public development model entailing leveraging existing city assets held at the Civic center site. As this item was not an agenda item the Commission merely received the information without discussion.

### Consent Items:

#### 1. Commission Minutes

The minutes of November 15, 2010 and October 20, 2010 (Amended) were approved with a motion by Commissioner Korn and a second by Commissioner Dixon

### Discussion

## 2. **Review of June 30, 2010 Comprehensive Annual Financial Report (CAFR)**

Liaison Morreale provided the Commission with a high-level and preliminary overview of the Comprehensive Annual Financial Report (CAFR) as of June 30, 2010. In so far as the full packet was still in process, Morreale and invited audit partner Ahmed Badawi presented the near final draft results prompting Commissioners comments and questions. Partner Badawi provided an overview of the audit process, responsibilities and preliminary clean opinion results followed by an overview of financial results by Mr. Morreale. The Commissioners accepted the presentation and directed Morreale to provide the CAFR in its council-ready format, either via individual email or at a follow-up meeting, as a basis for final approval for Council consideration. Morreale advised that the CAFR should be in its final compiled format within the next two weeks and would notify the Commission accordingly.

## 3. City's Debt Special Project

Liaison Morreale introduced City Financial Advisor Craig Hill who was invited to provide an overview of the variety of financing options available to the City. Morreale indicated that this discussion was designed to assist as the Commission begins its analysis of the City's overall debt capacity. Mr. Hill presented the most common financing instruments including – General Obligation Bonds – Certificates of Participation – Revenue Bonds.

## 4. Investment Portfolio Update

Commissioners agreed to defer this item to following meetings with a motion by Commissioner Korn and second by Commissioner Bryne.

## **Commission Reports:**

None

## **Adjournment**

The meeting was adjourned per general agreement at 7:15 P.M.

Respectfully Submitted,

Russell J. Morreale  
Staff Liaison to the Financial Commission