

**MINUTES OF THE MEETING OF THE FINANCIAL COMMISSION OF THE CITY
OF LOS ALTOS, HELD ON MONDAY, October 15, 2018, AT 6:00 P.M. AT
COMMUNITY MEETING CHAMBERS, 1 NORTH SAN ANTONIO ROAD,
LOS ALTOS, CALIFORNIA**

ROLL CALL

PRESENT: Chair Kalkat, Vice Chair McClatchie (6:48 PM), Commissioners Kalbach, Marek, and Richmond

ABSENT: Commissioners Martin & Roat

PUBLIC COMMENTS

None

ITEMS FOR CONSIDERATION/ACTION

1. Approved minutes of the regular meeting of September 17, 2018

Action: Upon a motion by Commissioner Marek seconded by Commissioner Richmond the Commission approved the minutes of the meeting of September 17, 2018 by the following vote: AYES: Marek and Richmond; NOES: None; ABSTAIN: Kalkat and Kalbach; ABSENT: McClatchie, Martin, & Roat

INFORMATIONAL ITEMS

2. Receive update on Cost Allocation Plan and User Fee Study

The contract for the Cost Allocation Plan and User Fee Study has been prepared. The last component needed are revised insurance documents from the vendor selected. Once the contract is executed, work will commence with a targeted completion of December 2018. The Financial Commission's role will be to review the draft report prior to the CAP & User Fee going to City Council in February/March 2019. Since it has been more than four years since the last study was conducted, there may be dramatic change in some fees. Council will have discretion of whether to alter the City's fees for the next Fiscal Year. Revised fees will be incorporated July 1, 2019.

3. Convene CalPERS Unfunded Liability Subcommittee

Commissioners Kalkat, McClatchie, and Richmond convened the CalPERS Unfunded Liability Subcommittee. The subcommittee's goal will be to analyze the City's unfunded liability and determine an achievable amount to set aside annually to pay into a PERS reserve and determine which fund to pay down first. The subcommittee will meet as need and report back to City Council in the Winter of 2019.

4. Discuss CalPERS unfunded liability

Staff Liaison Etman reviewed the CalPERS Annual Valuation Reports as of June 30, 2017 with the Financial Commission.

5. City Council Joint Meeting and updated workplan – October 23rd, 2018

After reviewing the Commission's updated workplan, there was a consensus that it should be revised to improve readability. Commission Kalkat and Staff Member Scott Gerdes will revise the workplan and send it to the entire Commission. The updated workplan will be reviewed with Council at a joint meeting on October 23rd, 2018 at 8:15 PM in Council Chambers.

6. Set future meeting dates and location

Due to upcoming holidays and remodeling occurring at City Hall, the Financial Commission will need to alter the dates and locations of future meetings. The following meetings have been rescheduled to an alternate date:

January 2019 Meeting: Wednesday, January 23rd at 6 PM – Location (TBD)

February 2019 Meeting: Wednesday, February 20th at 6 PM – Location (TBD)

COMMISSION AND STAFF REPORTS AND DIRECTIONS ON FUTURE AGENDA ITEMS

The Commission will review the draft report of the Comprehensive Annual Financial Report & Popular Annual Financial Report at the November Meeting.

ADJOURNMENT

Vice Chair McClatchie adjourned the meeting at 7:09 PM.