



**TOWN OF LOS GATOS
COUNCIL FINANCE COMMITTEE
AGENDA REPORT**

MEETING DATE: 08/12/2019

ITEM NO: 1

**DRAFT
Minutes of the Council Finance Committee Meeting
June 17, 2019**

The Council Finance Committee of the Town of Los Gatos conducted a meeting on Monday, June 17, 2019, at 6:00 p.m.

MEETING CALLED TO ORDER AT 6:00 P.M.

ROLL CALL

Present: Mayor Steve Leonardis, Council Member Barbara Spector, and Committee Member Rick Tinsley.

Absent: Committee Member Terry Duryea

Staff Present: Town Manager Laurel Prevetti, Assistant Town Manager Arn Andrews, Finance Director Stephen Conway, and Finance and Budget Manager Gitta Ungvari

COMMUNICATIONS

Mayor Steve Leonardis provided information on City of Monte Sereno franchise fees.

CONSENT ITEMS

1. Approve Council Finance Committee Meeting Draft Minutes of March 11, 2019.

MOTION: Motion by Mayor Steve Leonardis to approve the Consent Item, **Seconded** by Council Member Barbara Spector.

VOTE: Motion passed unanimously.

VERBAL COMMUNICATIONS

None.

OTHER BUSINESS

2. Review and Provide Recommendations for Future Revenue Opportunities for the Town of Los Gatos.

Town Manager, Laurel Prevetti presented the report. The Finance Committee discussed the options listed in the written report and were in general agreement that the Town should audit Business Licenses and Transient Occupancy Tax receipts to ensure all revenue is being collected.

Other Business Item #2 – continued

Council Member Barbara Spector indicated that new taxation should be only pursued after the purpose of the new revenue is identified. Committee Member Rick Tinsley did not have any comment on this item.

Opened Public Comment.

Lee Fagot

- Commented that before any new taxes would be assessed, the Council should examine operating expenditures and the pension obligation cost.

Closed Public Comment.

MOTION: **Motion** by **Mayor Steve Leonardis** to staff bring back a draft Request for Proposal for Business License and Transient Occupancy Tax audit services for the Town Council consideration. **Seconded** by **Council Member Barbara Spector**.

VOTE: **Motion passed unanimously.**

3. Review and Provide Direction on Additional Discretionary Payment Strategies

Assistant Town Manager, Arn Andrew presented the summary analysis of the Town's Additional Discretionary Payment options. Committee members discussed the item, and asked questions which staff addressed.

Opened Public Comment.

Peter Herten

- Commented on the fact that CalPERS is rapidly lowering the discount rate and the decreased discount puts financial burden on the public sector.

Lee Fagot

- Commented that the meeting was very productive and recommended that a decision should be made quickly to place the available funding according to the Council approved strategy.

Closed Public Comment.

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SUBJECT: Draft Minutes of the Council Finance Committee Meeting of June 17, 2019

DATE: June 18, 2019

Other Business Item #3 – continued

The Finance Committee discussed the matter further and asked questions which staff addressed. The Committee Members gave direction to staff to engage Bartel and Associates to provide an analysis of the different scenarios addressing unfunded pension and OPEB liabilities for the Committee's discussion at its August 12' 2019 meeting.

ADJOURNMENT:

The meeting adjourned at 7:30 p.m.

This is to certify that the foregoing is a true and correct copy of the minutes of the June 17, 2019 meeting as approved by the Council Finance Committee.

Gitta Ungvari, Finance and Budget Manager