



**Town of Atherton
FINANCE COMMITTEE
DRAFT MINUTES**

January 15, 2019

2:00 PM

TOWN COUNCIL CHAMBERS

94 Ashfield Road
Atherton, California

PLEASE NOTE: *Times listed on the Agenda are approximate; items may be taken up out of order.*

1. ROLL CALL

Bob Polito, Jeffrey Lee, Yogesh Amle, Ann Yvonne Walker, Devika Patil,
Bill Widmer, Rick DeGolia

Present: Polito, Amle, Walker, Patil, Widmer, DeGolia

Excused: Lee

2. PUBLIC COMMENT

None

REGULAR AGENDA

3. Review and Approve Draft Minutes of November 13, 2018 Finance Committee
Motion to approve minutes by Ms. Walker, seconded by Polito; All in Favor

4. Presentation of the Fiscal Year 2017-18 Atherton Basic Financial Statements and provide recommendation of acceptance to City Council- Katherine Yuen, Auditor Maze & Associates

Staff opened discussions of review of the FY 2017-18 Basic Financial Statements and the memorandum on internal control and required communication by auditor Maze and Associates. Katherine Yuen, audit engagement partner is present at today's meeting to discuss the audited financial statements. The auditor's opinion is that the Town's financial statements present fairly in all material respects, the respective financial position of the government activities, each major fund, and the aggregate remaining fund information of the Town as of June 30, 2018. Staff communicated that the General Fund had a net change in Fund Balance of \$4,339,788. General Fund Revenues include \$17 Million to Expenditures and transfers out of \$12 Million and 614,258 respectively.

Audit engagement partner, Katherine Yuen discussed the timeline of the FY 17/18 independent audit and the generally accepted auditing standards accepted in the USA. Discussion included the Government Auditing Standards and the Town receiving the highest level of audit opinion of unmodified opinion (clean opinion).

Highlights presented included the new GASB 75 pronouncement for the Accounting and Financial Reporting for Postemployment Benefits Other than Pension (OPEB). The net OPEB liability as of June 30, 2018 is \$4Million. Other entity wide financial highlights included net pension liability of \$16.1 Million. An increase of \$2.1 Million with most of the increase was due to the implemented change in the discount rate. Town net position is \$57Million, an increase of \$6.5Million over year. General Fund balance increased \$4.3Million to \$17.3Million. Ms. Yuen discussed the GFOA maintenance of fund balance recommendation of at least maintaining enough to maintain expenditures for 2 to 5 months. Discussion included that the average Town FY 17/18 monthly expenditures were about \$1Million. The months of expenditures that can be covered by the Town unrestrictive fund balance was 17.2 months. Further discussion included the memorandum on internal control and required communication and financial statement footnotes.

Staff next sought Finance Committee recommendation for City Council to accept the FY 2017/18 Basic Financial Statements.

Motion by Chair Polito, seconded by Ms. Patil; All in Favor

5. Next Meeting Date, Future Agenda Items and Time- March 12, 2019

**6. Adjourn Motion by Ms. Walker, seconded by Chair Polito; All in Favor
3:00pm**

 Please contact the City Clerk's office at (650) 752-0500 with any questions

Pursuant to the Americans with Disabilities Act, if you need special assistance in this meeting, please contact the Park Program Manager at (650) 752-0534. Notification of 48 hours prior to the meeting will enable the Town to make reasonable arrangements to ensure accessibility to this meeting. (29 CRF 35.104 ADA Title II)

Posted: