

**TOWN OF PORTOLA VALLEY**  
**Finance Committee Minutes [DRAFT]**  
**Monday, May 20, 2024**

**Attendees**

Sharif Etman, Town Manager  
Tony McFarlane, Finance Director  
Craig Taylor, Council Liaison  
George Savage, Chair  
Stephen Cassani, Member  
Ken Lavine, Member  
Michele Takei, Member  
Mark Waissar, future Member  
Chris Rittler, future Member

**Call to Order**

The Chair called the meeting to order at 4 pm.

**Roll Call**

The Chair confirmed attendance.

**Oral Communications**

None

**Announcements**

- Introduction to Tony McFarlane, Town Finance Director  
Tony has 22 years of finance experience with 17 years in local government and started work today, May 20, 2024.
- Resignation of Jason Pressman from Finance Committee
- Appointment of Mark Waissar to Finance Committee, effective May 22, 2024  
Mark has lived in Portola Valley for 8 years and has finance experience as an investment banker and fund manager.
- Appointment of Chris Rittler to Finance Committee, effective May 22, 2024  
Chris has lived in Portola Valley for 14 years and is a retired technologist.

**Approval of Minutes**

The minutes of the March 25, 2024 meeting were approved with the amendment under Paula Cone's presentation that she has requested the TEA calculations from the County.

**New Business**

- Audit update, finance department update

The FY21 audit is complete and a draft of the audit will be available by September. The audits of FY22 and FY23 are being worked on together and should be completed by the end of the calendar year. The FY24 audit completion is expected just a few months later than normal.

- Budget update, FY 2024-25  
Sharif plans to submit an “interim” budget to the Town Council on June 12, 2024 without any Finance Committee review that is pretty much the prior year budget with some refinements. He expects to do a more thorough revision in September.
- PV Thrive: structural budget deficit and opportunities to address  
The Finance Committee will break out into 1-3 person working groups to research ways to address our structural budget deficit with the hope of a working committee update at a July meeting. Ken Lavine suggested that each working group address the following criteria:
  1. Complexity to implement
  2. Appeal to residents and voters (i.e. equity, senior opt out, tax deductibility)
  3. Cost to implement
  4. Effort to maintain
  5. Duration to pursue
  6. Future flexibility to respond to needs
  7. Risk of court overturning
- a. Become a charter town (document transfer tax on property sales) [Ken and Michele working group]  
Los Altos Hills has a working group with a meeting recorded online.
- b. UUT changes (percentage and allocation) [George and Chris working group]
- c. Parcel tax (possibly dedicated to public safety issues) [George and Chris working group]

The Town has roughly 1800 parcels and the “sweet spot” for approval of a parcel tax is ~ \$700 would result in revenue of \$1.26 million per year.

- d. Selling unused town land [George working group]

Betsy Morgenthaler, Chair of the Open Space Committee stated that the Committee had looked into selling unused Town land and discovered a California law which prohibits doing this. This was discussed at the May 2, 2024 Open Space Committee meeting. Betsy will forward a copy of the law to George.

- e. Annexing nearby neighborhoods with a tax base (e.g., Ladera) [George and Chris working group]
- f. Reducing expenses (i.e. use of consultants versus staff) [Stephen and Mark working group]
- g. Reserve policy [Bill suggested but not confirmed as not present at meeting and Chris working group]

## **Adjournment**

The Chair adjourned the meeting at 5:55 pm.  
Michele Takei – Acting Secretary