

**AGENDA ITEM 1(b)**

**TOWN OF SAN ANSELMO  
STAFF REPORT  
November 18, 2002**

For the Meeting of November 26, 2002

TO: Town Council  
FROM: Janet Pendoley, Finance & Administrative Services Director  
SUBJECT: Report of Warrants Issued, October 2002

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**RECOMMENDATION**

That Council acknowledge and file warrant numbers 43266 to 43564 issued during the month of October 2002 in the amount of \$1,166,121.99. The following warrant numbers were voided: 43116; 43470; 43508; 43540; 43556; 43624; 43899; and 43949.

**BACKGROUND**

This report is an itemization of payments made to vendors during the month just ended. It also includes warrants written to Bank of America for the month's two regular payrolls as well as reimbursements to employees for work-related approved expenditures.

Respectfully submitted,

Janet Pendoley  
Finance and Administrative Services Director

Attachment 1 - Warrant Registers, October 2002

## **AGENDA ITEM 1(c)**

### **TOWN OF SAN ANSELMO STAFF REPORT November 20, 2002**

For the Meeting of November 26, 2002

TO: Town Council

FROM: Janet Pendoley, Finance & Administrative Services Director

SUBJECT: Lease Agreements for Isabel Cook Community Center Tenants

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#### **RECOMMENDATION**

That Council approve four-year lease agreements with 5% annual rent increases for each fiscal year beginning 2002-03 (retroactive to July 1st) through 2005-06 for the following tenants: Aryiis, Center for Social Justice, Spectrum and YWCA. (Linda Reed Day Services, formerly Tam Day Services, is currently under a lease agreement that expires in June, 2006.)

#### **BACKGROUND**

The Isabel Cook site was purchased with Community Development Block Grant Program (CDBG) funds over a period from 1977 to 1983. Per CDBG regulations, rent revenues from the building must be set aside for maintenance of the Isabel Cook complex, including janitorial services, minor repairs, and reasonable administrative costs related to operating the complex. It may also be used for major repairs and rehabilitation of buildings in the Isabel Cook complex, including roof replacement, foundation repairs, and seismic safety improvements.

During fiscal year 2000-01 the Town undertook extensive capital improvements to the center including window and door replacement, exterior painting and other repairs, at a cost of \$242,350. At the end of that fiscal year, the Town Council determined that future rental income would be committed to pay for these improvements. That amount has been reduced at the rate of \$30,000 per year. As of June 30, 2002, the outstanding balance was \$182,785.

#### **ANALYSIS**

Rents at the ICC Complex were last discussed by Council in January 2001, at which time two-year leases were negotiated with 5% and 7% annual increases. These leases have now expired and staff has communicated with the tenants to elicit their interest in a four-year term and annual rent increases. The contract length did not appear to be a cause for concern to tenants upon review of the early termination clause allowing lessees/lessor to terminate the contract for any reason with a ninety day notice. The majority of tenants have agreed that annual increase of 5% appears reasonable. (see Attachment A) The current rental rates at ICC are considerably lower than market rate at \$.92 per square foot for Linda Reed Day Services, Center for Social Justice, Spectrum and YWCA and \$.79 for Aryiis.



# TOWN OF SAN ANSELMO

## ISABEL COOK COMMUNITY CENTER

### Analysis of Rental Income

October 2002

Tenant	Lease Expires	Rent History						Proposed Lease Agreement: 2002 - 2006							
		99-00	\$/Sq Ft	00-01	\$/Sq Ft	01-02	\$/Sq Ft	02-03	\$/Sq Ft	03-04	\$/Sq Ft	04-05	\$/Sq Ft	05-06	\$/Sq Ft
				+5%		+7%		+5%		+5%		+5%		+5%	
Aryiis	6/30/02	2,711	\$ .70	2,847	\$ .74	3,046	\$ .79	<b>3,198</b>	\$ 0.83	<b>3,358</b>	\$ 0.87	<b>3,526</b>	\$ 0.91	<b>3,702</b>	\$ 0.96
Linda Reed Day Services	6/30/06	2,401	\$ .82	2,521	\$ .86	2,647	\$ .92	<b>2,779</b>	\$ 0.97	<b>2,918</b>	\$ 1.02	<b>3,064</b>	\$ 1.07	<b>3,217</b>	\$ 1.12
Social Justice	6/30/02	682	\$ .82	717	\$ .86	767	\$ .92	<b>805</b>	\$ 0.97	<b>845</b>	\$ 1.02	<b>887</b>	\$ 1.07	<b>931</b>	\$ 1.12
Spectrum	6/30/02	912	\$ .82	958	\$ .86	1,025	\$ .92	<b>1,076</b>	\$ 0.97	<b>1,130</b>	\$ 1.02	<b>1,187</b>	\$ 1.07	<b>1,246</b>	\$ 1.12
YWCA	6/30/02	1,550	\$ .82	1,628	\$ .86	1,742	\$ .92	<b>1,829</b>	\$ 0.97	<b>1,920</b>	\$ 1.02	<b>2,016</b>	\$ 1.07	<b>2,117</b>	\$ 1.12
<b>Total Monthly Rental Income:</b>		<b>8,256</b>		<b>8,671</b>		<b>9,227</b>		<b>9,687</b>		<b>10,171</b>		<b>10,680</b>		<b>11,213</b>	
<b>Total Annual Rental Income:</b>		<b>99,072</b>		<b>104,052</b>		<b>110,724</b>		<b>116,244</b>		<b>122,052</b>		<b>128,160</b>		<b>134,556</b>	

## **AGENDA ITEM 1(d)**

### **TOWN OF SAN ANSELMO STAFF REPORT November 20, 2002**

For the Meeting of November 26, 2002

TO: Town Council

FROM: Janet Pendoley, Finance & Administrative Services Director

SUBJECT: General Fund Report and Revenue and Expenditure Report, October 2002

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#### **RECOMMENDATION**

That Council approve the General Fund Revenue and Expenditure Report for the period ending October 31, 2002.

#### **BACKGROUND**

The General Fund Revenue and Expenditure report is a year-to-date summary report of revenues and expenditures that is presented to the Town Council on a monthly basis. The General Fund only is included in this monthly report. Beginning with the December 2002 quarterly report, a summary report for all Town Funds will be included. The purpose of these reports is to present financial information for review and discussion.

The format of the 02-03 monthly General Fund Revenue and Expenditure Report has been modified to more closely follow the financial information as it was presented in the Adopted Budget. Significant changes include:

- presenting both the budget and actual revenues and expenditures in the context of the fund's beginning and projected ending balances;
- presenting periodic revisions to the budget in a format that reflects the resulting impact (if any) on the projected ending balance;
- providing both the prior year's final budget-to-actual data as well as last year's data as of the reporting period (in this case, October 31<sup>st</sup>) for annual and seasonal trends;
- changing the focus of the data: presenting revenue data by major category only and presenting expenditure data by both major category as well as by department.

#### **ANALYSIS**

The revenue and expenditure data as of October 31st reflects financial activity transacted during 33% of the budget year. Revenue received, at 11%, reflects the normal lag in receipt of periodic payments including the following:

- Property tax distributions, which occur in December and April, are becoming an ever larger portion of the Town's revenue. Thus, this lag will become greater also.
- Annual business license fees are collected in large part in the early months of the calendar year and their seasonality also contributes to the lag in revenue collections during this period.
- As reported earlier, the State Board of Equalization recently reduced the monthly "advances" of sales tax distributions by 6% in anticipation of generally lower revenue streams across the state. (The 6% reduction turned out to be erroneous; it should have been .6%. The Town was notified that an adjustment is forthcoming.) To the extent that the Town's actual sales tax does not decline, the only negative impact of this action is the delay in receiving the revenue, yet another factor contributing to the revenue lag.
- LAIF interest earnings for the period ending September 30th were not posted during this report period.

Expenditures, at 32%, appear to be at a stable level across major categories presented on page 1 of the report with the exception of the Office Supplies & Library Materials category (see Library comment below). They also appear to be at a stable level across departments presented on page 2 of the report with only a few exceptions:

- Engineering and Inspection expenditures (at 35%) are at a higher proportion of budget as a result of transition expenses associated with the position of Building Inspector.
- Legal Services expenditures (at 38%) are at a higher proportion of budget and reflect the significant litigation activity occurring during this period.
- Library department expenditures (at 35%) are at a higher proportion of budget as a result of payment of a \$26,838 annual assessment to Marin for the countywide library technology system. This expenditure also explains the higher expenditure in the category of Office & Dept Supplies and Library Materials.
- Non-departmental expenses (at 26%) are at a lower proportion of budget because large one-time payments for services such as Marin County Animal Control have not yet been processed.
- Volunteer and community resources department expenditures (at 36%) reflect the cost of annual employee leave conversion.

#### **BUDGET REVISIONS:**

The following budget revisions were made during this report period:

- \$2,500 budget increase in the Capital Reconstruction Fund revenue and expenditure budgets to recognize receipt of a contribution from the County of Marin to support completion of the Elders Garden project.
- \$78,579 transfer from the General Fund Contingency to fund the Marin Association of Public Employees (MAPE) employees' compensation costs resulting from Council

approval of the 2002-05 MAPE Memorandum of Understanding at its regular meeting on September 24, 2002 (Resolution #3614). This revision reduces the committed portion of the Contingency from \$144,085 to \$65,506 but has no impact on the General Fund's year end reserve.

- \$4,258 budget increase in the Traffic Congestion Relief Fund revenue and expenditure budgets to recognize receipt of the first quarter allocation of state Traffic Congestion Relief funds. This revision has no impact on the fund's year end reserve.
- \$23,000 budget increase in the Traffic Congestion Relief Fund revenue and expenditure budgets to recognize receipt of the California Office of Traffic Safety (OTS) traffic safety grant. This revision has no impact on the Traffic Congestion Relief Fund's year end reserve.

## **CONCLUSION**

In reviewing the financial data particularly as it compares to the prior year, the Town's revenue collections and spending levels appear to be within normal ranges for this report period.

Respectfully submitted,

Janet Pendoley  
Finance and Administrative Services Director

Attachment: Revenue and Expenditure Report, October 2002



**TOWN OF SAN ANSELMO**  
**2002-03 Revenue & Expenditure Report: General Fund Summary**  
for the period ending October 31, 2002

Description	2001-02				2002-03			
	Rev Budget	Actual	Act, rpt period	% of Act	Adopted Budget	Revised Budget	Actual to Date	% Act/Bgt
<b>BEGINNING BALANCE</b>	<b>2,383,225</b>	<b>2,383,225</b>	<b>2,383,225</b>		<b>2,126,409</b>	<b>2,133,541</b>	<b>2,133,541</b>	
<b>REVENUE</b>								
Property Taxes	4,982,658	5,077,055	108,352	2%	5,373,502	5,373,502	93,121	2%
Sales Tax	1,021,065	1,010,164	260,940	26%	1,038,497	1,038,497	211,654	20%
Licenses, Permits, Fees, Fines	921,492	889,915	217,939	24%	992,386	992,386	227,355	23%
Use of Money & Property	151,344	142,821	46,953	33%	173,944	173,944	12,832	7%
Other Agency Revenue	880,855	884,824	249,993	28%	956,123	952,883	293,930	31%
Fees for Services, Misc	617,900	608,021	153,898	25%	629,830	629,830	172,429	27%
<b>SUB TOTAL</b>	<b>8,575,314</b>	<b>8,612,800</b>	<b>1,038,075</b>	<b>12%</b>	<b>9,164,282</b>	<b>9,161,042</b>	<b>1,011,321</b>	<b>11%</b>
<b>TRANSFERS IN</b>	<b>258,368</b>	<b>271,654</b>	<b>70,531</b>	<b>26%</b>	<b>298,115</b>	<b>298,115</b>	<b>61,161</b>	<b>21%</b>
<b>TOTAL: REV &amp; TRFS</b>	<b>8,833,682</b>	<b>8,884,454</b>	<b>1,108,606</b>	<b>12%</b>	<b>9,462,397</b>	<b>9,459,157</b>	<b>1,072,482</b>	<b>11%</b>
<b>TOTAL RESOURCES</b>	<b>11,216,907</b>	<b>11,267,679</b>	<b>3,491,831</b>		<b>11,588,806</b>	<b>11,592,698</b>	<b>3,206,023</b>	
<b>EXPENDITURES</b>								
Salaries	3,410,458	3,474,485	1,115,008	32%	3,801,791	3,759,182	1,221,976	33%
Benefits	1,108,571	1,093,233	291,746	27%	1,044,554	1,158,952	352,253	30%
Office & Dept Sup, Lib Mat	241,437	232,965	69,835	30%	243,187	238,888	93,174	39%
Training, Publications, Dues	63,837	55,477	9,386	17%	47,522	47,322	15,387	33%
Outside Serv, Legal Notices	2,969,345	2,995,191	907,681	30%	3,062,769	3,068,169	953,004	31%
Utilities	171,905	162,236	42,563	26%	177,801	177,801	41,054	23%
Bldg, Veh, Equip Maint	169,923	157,343	43,331	28%	166,582	166,882	47,856	29%
<b>SUB TOTAL</b>	<b>8,135,476</b>	<b>8,170,930</b>	<b>2,479,550</b>	<b>30%</b>	<b>8,544,206</b>	<b>8,617,196</b>	<b>2,724,704</b>	<b>32%</b>
<b>TRANSFERS OUT</b>	<b>963,208</b>	<b>963,208</b>	<b>-</b>	<b>0%</b>	<b>956,895</b>	<b>967,029</b>	<b>-</b>	<b>0%</b>
<b>RESERVES</b>								
Contingency: committed funds			-	0%	144,085	65,506	-	0%
Contingency: uncommitted funds	(19,377)		-	0%	42,678	34,893	-	0%
Pension	244,128		-	0%	184,533	184,533	-	0%
<b>TOTAL: EXP, TRFS, RES</b>	<b>9,323,435</b>	<b>9,134,138</b>	<b>2,479,550</b>	<b>27%</b>	<b>9,872,397</b>	<b>9,869,157</b>	<b>2,724,704</b>	<b>28%</b>
<b>Net Increase/(Decrease)</b>	<b>(489,753)</b>	<b>(249,684)</b>	<b>(1,370,944)</b>		<b>(410,000)</b>	<b>(410,000)</b>	<b>(1,652,222)</b>	
Designated: Pension	535,775	816,315	816,315		949,453	949,453	949,453	
Designated: Mch Pkg/SWARAC	18,854	21,359	21,359		21,350	21,350	21,350	
Undesignated: Excess Rev	-	217,132	217,132		-	-	-	
Undesignated	1,338,843	1,078,735	(42,525)		745,606	752,738	(489,484)	
<b>ENDING BALANCE</b>	<b>1,893,472</b>	<b>2,133,541</b>	<b>1,012,281</b>		<b>1,716,409</b>	<b>1,723,541</b>	<b>481,319</b>	
<b>TOTAL BUDGET</b>	<b>11,216,907</b>	<b>11,267,679</b>	<b>3,491,831</b>		<b>11,588,806</b>	<b>11,592,698</b>	<b>3,206,023</b>	

## AGENDA ITEM 1(e)

### SAN ANSELMO POLICE DEPARTMENT INTER-OFFICE MEMORANDUM

For the Meeting of November 26, 2002

To: Town Council

From: Traffic Safety Committee

Subject: Update on Fern Lane Parking Situation

Date: November 20, 2002

CC: Town Administrator

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Recently, members of the Traffic Safety Committee paid visits to Fern Lane to monitor the parking situation in an effort to continue to address the concerns of area residents. These visits varied in day of week and time of day in order to obtain a complete picture of the parking situation. The one common element was that Sir Francis High School was in session during each visit. While inspecting the area no parking violations were noted, however the area was congested with parked vehicles, the majority of which are presumed to belong to students. It did not appear that emergency vehicle access was an issue as there were no observed violations of the Town's 12-foot clearance ordinance. One problem that appeared to be present was the fact that vehicles were parked close to driveway entrances, which could make it difficult for some residents to access their driveways.

In order to eliminate the possibility of future parking violations, the Traffic Safety Committee will be directing the Public Works Department to make the following improvements to Fern Lane:

- Repaint the red curb on the North side of the roadway the entire length of the street including the cul-de-sac area at the end of the street.
- Remove and replace the current old and faded "No Parking" signs with new updated signs.
- Trim foliage around parking regulatory signs as necessary.
- Paint red curbs directly adjacent to selected driveways to make ingress and egress safer and easier for residents.

The Traffic Safety Committee believes that great strides have been made to relieve parking congestion around the school and that these suggested improvements will further that effort.

## **AGENDA ITEM 1(f)**

### **TOWN OF SAN ANSELMO STAFF REPORT November 18, 2002**

For the Meeting of November 26, 2002

TO: Town Council

FROM: Debra Stutsman, Town Administrator

SUBJECT: Coalition for Corte Madera Creek

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#### **RECOMMENDATION**

That Council approve the resolution and letter to the Marin County Board of Supervisors and Congresswoman Lynn Woolsey, requesting that the Army Corps of Engineers present nonstructural alternatives for the completion of the Corte Madera Creek Flood Control Project.

#### **BACKGROUND**

At the meeting of November 12, Council heard a presentation from the Coalition for Corte Madera Creek regarding plans for the federal flood control project on the creek. The Coalition is interested in encouraging those involved in the design of the project to consider nonstructural alternatives. Council directed staff to come back with a resolution and draft letter, which are attached.

Respectfully submitted,

Debra Stutsman  
Town Administrator

**TOWN OF SAN ANSELMO  
RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION REQUESTING THAT THE ARMY CORPS OF ENGINEERS PRESENT  
NONSTRUCTURAL ALTERNATIVES FOR COMPLETION OF THE CORTE MADERA  
CREEK FLOOD CONTROL PROJECT**

**WHEREAS**, a presentation was made to the Town Council by the Coalition of Corte Madera Creek at the meeting of November 12, 2002, regarding the benefits of nonstructural alternatives for the Corte Madera Creek Flood Control Project; and

**WHEREAS**, Section 219(b), Reevaluation of Flood Control Projects, of Public Law 106-53 (Water Resources Development Act of 1999) provides: "At the request of a non-Federal interest for a flood control project, the Secretary shall conduct a reevaluation of a project authorized before the date of enactment of this Act to consider nonstructural alternatives. . ."; and

**NOW, THEREFORE, BE IT RESOLVED** that the Town Council of the Town of San Anselmo recommends that the U. S. Army Corps of Engineers provide nonstructural alternatives for the completion of the Corte Madera Creek Flood Control Project.

The foregoing resolution was adopted at a regular meeting of the San Anselmo Town Council held on the 26<sup>th</sup> day of November, 2002, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

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Debra Stutsman, Town Clerk

November 27, 2002

DRAFT LETTER to:

Flood Control & Water Conservation District, Board of Supervisors  
Assemblywoman Lynn Woolsey

Dear

At the meeting of November 12, 2002, the San Anselmo Town Council heard a thorough presentation from the Coalition for Corte Madera Creek regarding the creek and plans underway to provide for an improved flood control system in Kentfield and Ross.

The Town Council would like to request that the Army Corps of Engineers present nonstructural alternatives for completion of the project, minimizing the use of concrete and designed in an environmentally sensitive manner.

Sincerely,

Mayor

## **AGENDA ITEM 1(g)**

**TOWN OF SAN ANSELMO  
TOWN COUNCIL STAFF REPORT  
November 19, 2002**

For the meeting of November 26, 2002

TO: Mayor and Members of Town Council

FROM: Tom Bell, Planning Director

**SUBJECT: Type 20 Alcohol Beverage License –343 San Anselmo Avenue**

### **RECOMMENDATION**

That the Town Council determines that public convenience would be served by the issuance of a Type 20 License based upon the information provided herein.

### **BACKGROUND**

On July 15, 2002, the Planning Commission approved a Use Permit for the Ross Valley Winery to operate a wine tasting room and winery at 343 San Anselmo Avenue. In approving the Use Permit, the Commission made the necessary finding that the use will not be detrimental to the health, safety, peace, morals, comfort, and general welfare of the neighborhood or Town.

Since that approval, the State Department of Alcoholic Beverage Control advised the owner that the premises has been identified as being in a census area which is either over concentrated with such licenses or within a higher crime area. Consequently, the State now requires a determination by the appropriate authority of public convenience or necessity.

Staff believes that the determination of public convenience can be made based upon

1. the unique service and atmosphere (wine tasting and specialty wine sales),
2. the type of patrons intended are tourists and wine connoisseurs,
3. the Planning Commission's finding that the facility would not be detrimental to the neighborhood or community upon conclusion of a public hearing on the matter.

Attached for your review are letters from the Department of Alcoholic Beverage Control and the applicant.

Respectfully submitted,

Thomas Bell  
Planning Director

## **AGENDA ITEM 1(h)**

# **TOWN OF SAN ANSELMO TOWN COUNCIL STAFF REPORT**

For the meeting of 11-26-02

**DATE:** 11-22-02

**TO:** Mayor and Council Members

**FROM:** Rabi Elias, Public Works Director

**SUBJECT:** Purchase of Backhoe.

### **RECOMMENDATION**

Authorize staff to purchase a new John Deere backhoe and approve allocating \$5000 a year for the next four years to cover the cost.

### **BACKGROUND and DISCUSSION**

The present 20 year backhoe is on its last breadth. We had budgeted this year \$32,600 to buy a used backhoe. Could not find a good used one for that price. A great deal came up for a new backhoe. The deal is brand new at \$63,170 a price offered only to California municipalities and on top of that if we put 20% down payment we get zero financing for four years. The last machine lasted 20 years and it was used, this machine is new and will be around much longer. Savings in maintenance of around \$1,900 a year will occur.

### **FISCAL IMPACT**

FY 02/03 \$32,600

Balance to finance \$27,620 refer to attached breakdown from supplier NORTRAX.

Payment per year for four years would be \$6,900.

Street equipment maintenance budget item to be reduced by \$1900 savings in maintenance new machine.

Net yearly allocation of \$5000 for four years is needed.

**AGENDA ITEM 1(i)**

**TOWN OF SAN ANSELMO  
TOWN COUNCIL STAFF REPORT**

For the meeting of 11-26-02

**DATE:** 11-22-02

**TO:** Mayor and Council Members

**FROM:** Rabi Elias, Public Works Director

**SUBJECT:** Award contract for paving the Corporation Yard.

**RECOMMENDATION**

Award of contract to Bauman Landscape, Inc in the amount of \$53,340.

**BACKGROUND and DISCUSSION**

The Corporation Yard buildings are substantially completed. Remaining work is paving which will be done when a weather break occurs.

Second lowest proposal was from Ghilotti Bros. for \$55,205.

**FISCAL IMPACT**

Budgeted for \$60,000 FY 02/03



## **AGENDA ITEM 1(j)**

### **TOWN OF SAN ANSELMO STAFF REPORT November 20, 2002**

For the Meeting of November 26, 2002

TO: Town Council

FROM: Janet Pendoley, Finance & Administrative Services Director

SUBJECT: Direct Staff to Initiate Issuance of \$2,565,000 in General Obligation Bonds to Finance Improvements to Streets and Storm Drains

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#### **RECOMMENDATION**

That Council direct staff to initiate the process of issuing \$2.565 million in general obligation bonds to finance improvements to streets and storm drains.

#### **BACKGROUND**

In June 1995, the voters of San Anselmo authorized the sale of \$10.8 million in general obligation bonds for improvements to Town streets, storm drains, and the library building. The Town has sold three issues to date, in 1995, 1997, and 2000, for a total amount of \$8.235 million, leaving a remaining authorization of \$2.565 million.

#### **DISCUSSION**

Staff presented a Measure G status report to the Council on May 14, 2002. At that time, the Council approved a Capital Improvement Plan (CIP) budget of \$1,181,890 for construction year 2002-03. In that report staff advised the Council that sale of the final \$2.565 million in general obligation bonds in Fall 2002 would be needed to fund the 2002-03 pavement and drainage projects.

Attachment #1 outlines the proposed schedule for the issuance. If events go as planned, the Council will be presented with the issuance documents at its January 14, 2003 meeting and be asked to approve the sale of the bond. Upon approval, the bond will be sold on February 4<sup>th</sup> and the proceeds will be delivered to the Town on February 20, 2003.

Attachment #2 lists the proposed parties involved in the sale of the bonds. In addition to staff and the Town Attorney, it is recommended that Council retain Steven Melikian of Jones Hall as bond counsel, Bruce Kerns of Stone and Youngberg as financial advisor, and Sally Ronquillo of Bank of New York Trust Company as paying agent. These individuals and firms are the same group involved in the 2000 issuance.

## **FISCAL IMPACT**

With the recommended sale of the \$2.565 million bond issue in February 2003, the full \$10.8 million authorized by the voters will have been issued. It is anticipated that \$1.7 million will remain at the completion of the 2002-03 CIP projects.

The issuance cost that will be absorbed by the bond proceeds is estimated at \$60,000 (Attachment #3).

The total tax rate for all Measure G debt service in 2003-04 is estimated at 5.37 cents per \$100 of assessed valuation (Attachment #4). This rate falls \$1.55 below the amount estimated at the time of the bond election.

The timing of the sale, which will occur in mid-tax year, will have certain impacts for the taxpayer. On one hand, the mid-year sale will result in taxpayers being required to make a one-time 18 month payment for the first year of the debt service schedule (i.e. for the period February 2003 to August 2004). Payments in years 2 through 25 will then be on a regular twelve month basis. On the other hand, issuance at current time when bond rates are extremely low may offset the negative effects of the elevated first year payment.

## **CONCLUSION**

Upon Council direction, staff will work with Stone & Youngberg as financial advisor, Jones Hall as bond counsel, and Bank of New York Trust Co. as paying agent to initiate the bond issuance and to prepare the required documentation for the sale of the bonds. Presentation of the documents for Council approval is scheduled for January 14, 2003 and subsequent sale of the bond on February 4, 2003.

Respectfully submitted,

Janet Pendoley, Finance and Administrative Services Director

C: Donna Cohen, Town Treasurer  
Bruce Kerns, Stone & Youngberg  
Stephen Milikian, Jones Hall

Attachments:       **Attachment #1:** Schedule of Issuance  
  
                          **Attachment #2:** Interested Parties List  
  
                          **Attachment #3:** Estimated Cost of Issuance  
  
                          **Attachment #4:** Tax Rate Effect of General Obligation Bonds