



FINANCE/PERSONNEL SUBCOMMITTEE AGENDA

SUBCOMMITTEE MEMBERS

LARRY McCALLON, MEMBER
JOHN TIMMER, MEMBER

March 9, 2021
10:00 a.m.
Upright Conference Room
Highland City Hall
27215 Base Line
Highland, California

SPECIAL NOTICE REGARDING COVID-19

In accordance with Governor Newsom's Executive Order N-25-20 and N-29-20, this meeting is being conducted via teleconference. Anyone can join the meeting.

Please follow the instructions below to listen to the meeting.

- Dial (844) 855-4444 (no charge/toll free)
- Press 360803# - When prompted for the Access Code

Submission of Public Comments: For those wishing to make public comments at the March 9, 2021 Finance/Personnel Subcommittee meeting, please submit your comments by email to be read aloud at the meeting by the Administrative Assistant. Email comments must be submitted by 9:00 a.m. on March 9, 2021, to publiccomment@cityofhighland.org. If you are making a comment regarding an item on the agenda, please identify the agenda item in the subject line.

All email comments shall be subject to the same rules as would otherwise govern speaker comments at a City Council Meeting.

CITY OF HIGHLAND MISSION STATEMENT

Highland is dedicated to the betterment of the individual, the family, the neighborhood and the community. The City Council and the staff of Highland are dedicated to providing the quality of public facilities and services that its citizens are willing to fund and will do so as efficiently as possible.

Visit the City's Website at: www.cityofhighland.org

THE CITY OF HIGHLAND COMPLIES WITH THE AMERICANS WITH DISABILITIES ACT OF 1990. IF YOU REQUIRE SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, PLEASE CALL THE CITY CLERK'S OFFICE AT (909) 864-8732, EXT. 226 AT LEAST 48 HOURS PRIOR TO THE MEETING.

Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the City of Highland to all or a majority of the Subcommittee less than 72 hours prior to that meeting are available for public inspection at Highland City Hall, 27215 Base Line, Highland, during normal business hours.

Larry McCallon, Member

John Timmer, Member

FINANCE/PERSONNEL SUBCOMMITTEE

March 9, 2021 – 10:00 a.m.

CALL TO ORDER

PUBLIC COMMENT

ITEMS

1. Review Minutes of January 12, 2021 Meeting

RECOMMENDATION: Approve the Minutes as submitted.

2. Proposed Refunding of City of Highland Community Facilities District No. 2001-1 - Special Tax Refunding Bonds Series 2011 (Attachment)

RECOMMENDATION: That the Finance Subcommittee Authorize Staff and the City's Finance Team (Urban Futures, Inc. as Municipal Advisor; Richards Watson & Gershon as Bond Counsel; and Piper Sandler & Co. as Placement Agent) to commence preparation of legal and financial documents necessary for the refunding of the 2011 Bonds and authorize the City Manager to enter into a Preliminary Term Sheet with the selected Lender.

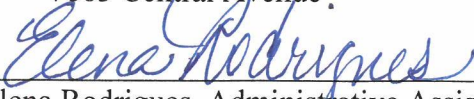
ADJOURN

I, Elena Rodrigues, Administrative Assistant III, of the City of Highland, California, certify that I caused to be posted this Agenda on the 4th day of March 2021, by 5:30 p.m. on our website at www.cityofhighland.org and in the following designated areas:

City Hall
27215 Base Line

Highland Branch Library
7863 Central Avenue

Highland Fire Station No. 1
26974 Base Line


Elena Rodrigues, Administrative Assistant III

Agenda Item #1

MINUTES
FINANCE/PERSONNEL SUBCOMMITTEE
January 12, 2021

This meeting was conducted as a teleconference meeting in the Upright Conference Room, 27215 Base Line, Highland, California.

CALL TO ORDER

The regular meeting of the Finance/Personnel Subcommittee of the City of Highland was called to order at 10:45 a.m. at the Upright Conference Room, 27215 Base Line, Highland, California.

ROLL CALL

Present: McCallon, Timmer
Absent: None

PUBLIC COMMENT

Received no public comment.

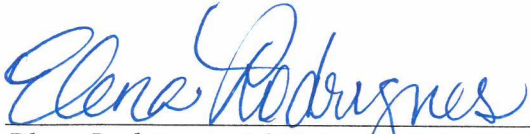
ITEMS

1. Review Minutes of December 28, 2020 Meeting
 - Minutes were approved as submitted.
2. Proposal for Re-organization of the Consolidated Landscape and Lighting District (Attachment)
 - Finance/Personnel Subcommittee reviewed the FY 2020-21 Assessment Engineering Services proposal and authorized staff to complete Task 1 to update financial information to current fiscal year data for the Consolidated Landscape and Lighting District Reorganization project.
 - Authorized staff to prepare a proposal to minimize or reduce landscaping and replace with hardscape in Landscape Maintenance Zones that has deficit fund balance and return findings to subcommittee.
3. Third Round Community Development Block Grant COVID-19 Funding CDBG-CV3 (\$287,854.00) (Attachment)
 - Finance/Personnel Subcommittee allocated \$1,500 to a Rental Assistance Program to fund approximately 190 families. Assistance is to be paid over a 2-month period in \$750 installments payments. Residents must provide proof of delinquency.
4. Reallocation of First Round Community Development Block Grant COVID-19 Funding CDBG-CV (\$200,000) (Attachment)
 - Finance/Personnel Subcommittee allocated the remaining First Round Funds to the Highland Senior Center Readymade Food Program.

ADJOURN

There being no further business the meeting was adjourned at 11:34 p.m.

Submitted by:



Elena Rodrigues, Administrative Assistant III

Approved by:

Subcommittee Member

Agenda Item #2

**CITY OF HIGHLAND
FINANCE SUBCOMMITTEE
STAFF REPORT**

TO: Finance/Personnel Subcommittee

FROM: Chuck Dantuono, Director of Administrative Services/City Treasurer

DATE: March 9, 2021

SUBJECT: Proposed Refunding of:
City of Highland
Community Facilities District No. 2001-1
Special Tax Refunding Bonds, Series 2011

RECOMMENDATION

That the **Finance Subcommittee:**

Authorize Staff and the City's Finance Team (Urban Futures, Inc. as Municipal Advisor; Richards Watson & Gershon as Bond Counsel; and Piper Sandler & Co. as Placement Agent) to commence preparation of legal and financial documents necessary for the refunding of the 2011 Bonds and authorize the City Manager to enter into a Preliminary Term Sheet with the selected Lender.

BACKGROUND

In 2011 the City of Highland, acting as Community Facilities District No. 2001-1, issued Special Tax Refunding Bonds (the "2011 Bonds") in the amount of \$9,800,000, of which \$3,025,000 is currently outstanding. The 2011 Bonds have interest rates that range from 5.00% to 5.50%, and are callable on September 1, 2021, but may be refunded on a current basis up to 90 days prior to the call date.

Based on current market interest rates, the District can generate an estimated total debt service savings of approximately \$560,000 by issuing the proposed 2021 Bonds, which will refund (repay) the remainder portion of the 2011 Bonds. The term of the new 2021 Bonds will not be extended and will match the final maturity (September 2028) of the 2011 Bonds being refunded. The estimated annual debt service savings of approximately \$80,000 per year would provide average annual special tax savings of approximately \$245 per year for the 325 homeowners in the District, through 2028.

The final interest rate structure will be determined when the District receives bids from interested banks, which is expected to occur by the first week of May 2021. To lock in the interest rate until the bonds close, the City Manager will be asked to execute a Preliminary Term

Sheet with the selected lender. It is anticipated that the final bond documents will be presented to the City Council for consideration of approval at the meeting of May 25th, and that the bond closing will occur approximately one week later.

FISCAL ANALYSIS

The repayment of principal and interest on the 2021 Bonds will be payable solely from the Special Taxes from CFD 2001-1. The 2021 Bonds will not be a debt of the City's general fund or the State, or any of its political subdivisions (except the District). All costs of issuance will be paid from the bond proceeds, and not until the 2021 Bonds have successfully closed.