



CUPERTINO

**APPROVED MINUTES
CUPERTINO CITY COUNCIL
Special Meeting
Tuesday, May 14, 2013**

CITY COUNCIL MEETING

ROLL CALL

At 12:06 p.m. Mayor Orrin Mahoney called the City Council meeting to order.

Present: Mayor Orrin Mahoney, Vice Mayor Gilbert Wong (12:13), and Council members Barry Chang (12:07), Mark Santoro, and Rod Sinks.

STUDY SESSION

1. Subject: Study session regarding the FY 2013-2014 Budget
Recommended Action: Conduct the Budget study session

Written communications for this item included:

- Email from Jennifer Griffin
- Staff PowerPoint presentations
- Handout on multi-year expenditure report by department, division, and program

A. Budget Message/Overview of FY 2013-2014 Proposed Budget

City Manager David Brandt introduced his budget team and gave his budget message via a PowerPoint presentation. He highlighted: the proposed budget, general fund expenditures, general fund sources of revenue, general fund trend, changes to the budget and budget process, organizational changes, budgeting philosophy, cost allocation and internal service funds, financial policies and schedules, program narratives, and the 2013/14 City Council Work Program.

Senior Management Analyst Kristina Alfaro reviewed the proposed budget overview via a PowerPoint presentation. She highlighted: new and revised policies and financial schedules.

Senior Management Analyst Jacqueline Guzman continued to review the proposed budget overview via a PowerPoint presentation. She highlighted: general fund, revenue summary of all funds, revenue assumptions, revenue changes, general fund revenue changes, sales & use tax share, charges for service, property tax share, property taxes, transit occupancy tax, other revenue drivers, five-year general fund revenue forecast, summary of expenditures, expenditure assumptions, expenditure changes, expenditure drivers, general fund expenditure changes, expenditures by department, general fund transfers, five-year general fund expenditure forecast, unassigned fund balance forecast, general fund reserves, challenges, unmet needs, and next steps.

Council recessed from 1:45 p.m. to 1:55 p.m.

B. Review of Pass-Thru Revenues/Expenses

Council member Rod Sinks recused himself for this item and was absent from the dais.

Director of Community Development Aarti Shrivastava reviewed this item via a PowerPoint slide. She highlighted current planning, construction plan checking, and building inspection.

Council member Sinks returned to the dais.

C. Departmental Budgets:

- Council and Commissions
- Administration/City Attorney
- Law Enforcement
- Public Affairs
- Administrative Services
- Parks and Recreation
- Community Development
- Public Works

Council reviewed the staff PowerPoint presentations on each department budget.

Council recessed from 2:55 p.m. to 3:05 p.m.

D. 5 Year Capital Improvement Program (CIP)

Director of Public Works Timm Borden reviewed the CIP via a PowerPoint Presentation. He highlighted projects scheduled for FY 2014, currently funded projects, proposed new projects, and unfunded projects for future consideration.

E. Questions and Answers

Council asked staff questions on the proposed budget.

F. Public Comments - None

G. Council Comments

The following information was requested by Council for staff follow-up:

- Retirement costs as a percent of the total FY 2014-15 budget, and salary and benefit costs
- Information on three retirement tiers
- Amount of total debt and interest rate
- How long until the City can refinance
- Impacts of refinancing early
- What revenue will be received from the San Jose Water and PG&E increases (listed separately)
- Have Fiscal Strategic Committee look into possibility of increasing economic uncertainty reserves based on CPI and bring back to Council
- Number of filled positions as of May 1, 2013 versus 2011 and 2012
- Provide standard information on groups seeking Community Funding
- Bring back recommendation from Audit Committee regarding investment policies for PERS and PARS with explanation as to why PERS has their own investment strategy
- Put in next Godbe survey regarding removing one or two lanes from Stevens Creek Blvd for possible light rail and also include this in General Plan amendment process
- Impact of development fees
- Add recommendation to the proposed budget to add a potential allocation of \$50,000 for water testing of Stevens Creek Reservoir

- Add recommendation to the proposed budget for a potential replacement of wireless system at City facilities
- Research funding/sponsors for free wifi in the City
- Consider having the City hold a teen-oriented musical event or other for cultural development
- Fee analysis
- Affordable Housing status on Palmer bill and Nexus study
- Potential rental revenues from new library room and reopen lease agreement with Santa Clara County
- How often is Scenic Circle from Blackberry Farm used by students
- Status report on contract position with Fire Authority
- Come back with cost estimate and process for moving forward for potential parking structure near Library Field or other solution for parking
- Keep a placeholder in Public Works new projects buildings list for some sort of cell phone project, but not the City Hall distributed antenna system that is currently listed
- More explanation and justification on the trail running through Library Field
- Staff to provide what accelerated work could be completed and the benefits associated with road repairs and at what cost
- Provide more information on what is required for Linda Vista Park
- Add Tank House project to McClellan Ranch Master Plan
- Come back with small budget allocation for smaller tree tags that match the bark on City trees
- IT Budget versus other local agencies of similar size and/or information on systems, number of systems and staff supported
- Stevens Creek Master Plan update
- Add to CIP a potential new Cupertino Room stage
- Existing bathroom at McClellan Ranch – site access versus cost to add additional restroom and ADA requirements that the facility have two ADA accessible restrooms
- Renaming of Depreciation to Replacement Fund
- Community outreach to inform residents of the revised budget document
- Add PowerPoint presentations to the website
- Solar versus PG&E costs

ORAL COMMUNICATIONS - None

Tuesday, May 14, 2013

Cupertino City Council

ADJOURNMENT

At 4:05 p.m. the meeting was adjourned to the next regular meeting on Tuesday, May 21.

/s/ Grace Schmidt

Grace Schmidt, City Clerk

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