

CC 5-18-2021

#15

Proposed amendment to
HdL Consulting Services
Agreement

Presentation

Proposed Amendment Professional/Consulting Services Agreement with HdL ECONSolutions

City Council Meeting

May 18, 2021

Benjamin Fu, Director of Community Development



CUPERTINO



Item:

Proposed amendment to the Professional/Consulting Services Agreement between the City of Cupertino and HdL ECONsolutions of an additional \$40,800 as an extension of the contract terms and conditions to provide supplemental Economic Development (ED) staffing services for the City of Cupertino through the fiscal year ending on June 30, 2021.



Current Contract:

- Not to exceed \$170,000 for economic development staffing services for the Fiscal Year 2020-2021.
- \$10,000 of which for marketing and research.
- Economic Development staffing services provided by HdL is charged at an hourly rate of \$170/hour (total 941 hours).

- As of March 31, 2021, 1025 work hours, or \$184,250 (approximately \$14,250 over contract amount), had already been billed. \$47,770 of which have been paid, \$136,480 have not been paid.

Current Contract	Amount Billed	Amount Paid	Amount Not Yet Paid
\$170,000 / 941 hours	\$184,250 / 1025 hours	\$47,770 / 281 hours	\$126,480* / 744 hours

*\$10,000 for marketing and research also not yet paid but not included for the hourly calculation.

	July 2020	Aug 2020	Sep 2020	Oct 2020	Nov 2020	Dec 2020	Jan 2021	Feb 2021	Mar 2020	Total
Hours	137	141	140	146	106	100	70	69	116	1025



Background

- It was anticipated that approximately 78 hours a month would be sufficient to maintain an adequate level of economic development services.
- The COVID-19 pandemic was not expected to escalate as it did and has had a devastating impact on Cupertino's local business community requiring additional assistance and supportive services.

Increased staffing hours and work items:

To support the community and local businesses during the pandemic the following unanticipated projects and tasks were undertaken:

- Small Business Emergency Relief Grant Program providing \$5,000 grants to 37 Cupertino small businesses (program development, launch, and oversight)
- COVID Resources for Businesses webpages and Re-opening Toolkit for Businesses www.cupertino.org/covid19businessinfo (ongoing)
- Temporary Outdoor Dining (TOD) Permit (assistance and outreach)
- Special Temporary Outdoor Operations Permit (STOOP) (assistance and outreach)
- Face mask distribution of over 60,000 masks to date (ongoing)
- Coordinating and hosting small business webinars (ongoing)
- Increased outreach and communication with businesses (ongoing)

Ongoing and Routine ED Work:

Additional ongoing routine work includes, but is not limited to:

- Regular communication and outreach to businesses and residents
- Mobile Vendors ordinance
- Council Work Program items
- Negotiations and acquisition of the 10455 Torre Avenue property
- Assisting the WCFMA in finding a new permanent location for the Sunday Farmers Market
- Continued business attraction and retention efforts
- Ongoing assistance to business applicants through the City's permitting process
- Oversight of City's annual minimum wage program
- Tracking economic development issues and market trends

Proposed Contract Amendment:

- The proposed increase of \$40,800 equates to an additional 240 hours of economic development staffing services.
- Economic development services hourly rate of \$170/hour.
- \$184,250, or \$14,250 over the contract amount of \$170,000, had already been billed.
- The remaining requested \$26,550 will cover services through the current fiscal year ending on June 30, 2021.
- The City Manager's Contingency fund balance will fund the \$40,800 proposed amendment amount.



Recommended Action:

Approve the proposed amendment of an additional \$40,800 to prevent further interruption in economic development staffing services.

Alternatively, approve contract amendment for payment of \$14,250 over the contract amount to date.

CC 5-18-2021

#16

Third Quarter Financial Report

Presentation

THIRD QUARTER FINANCIAL REPORT FISCAL YEAR 2020-21

City Council
May 18, 2021



CUPERTINO

Agenda



Budget Reporting Cycle



Amended Budget as of March 31, 2021



General Fund Update



Recommended Adjustments



Recommendations and Next Steps

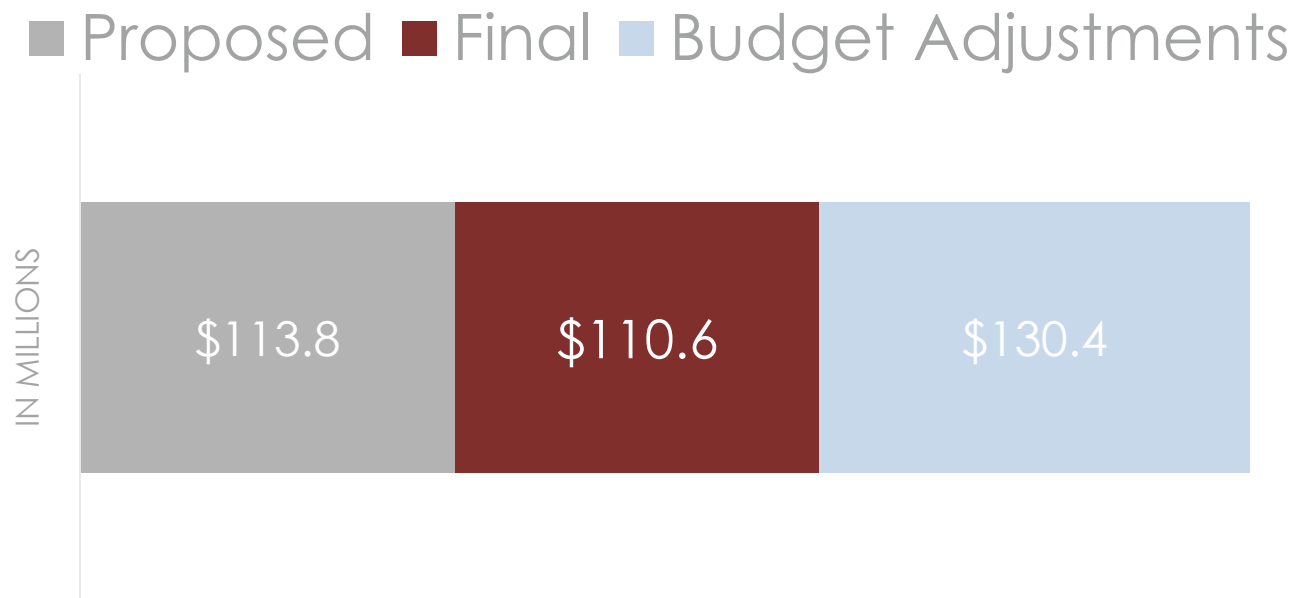


Transparency and Engagement

Budget Reporting Cycle



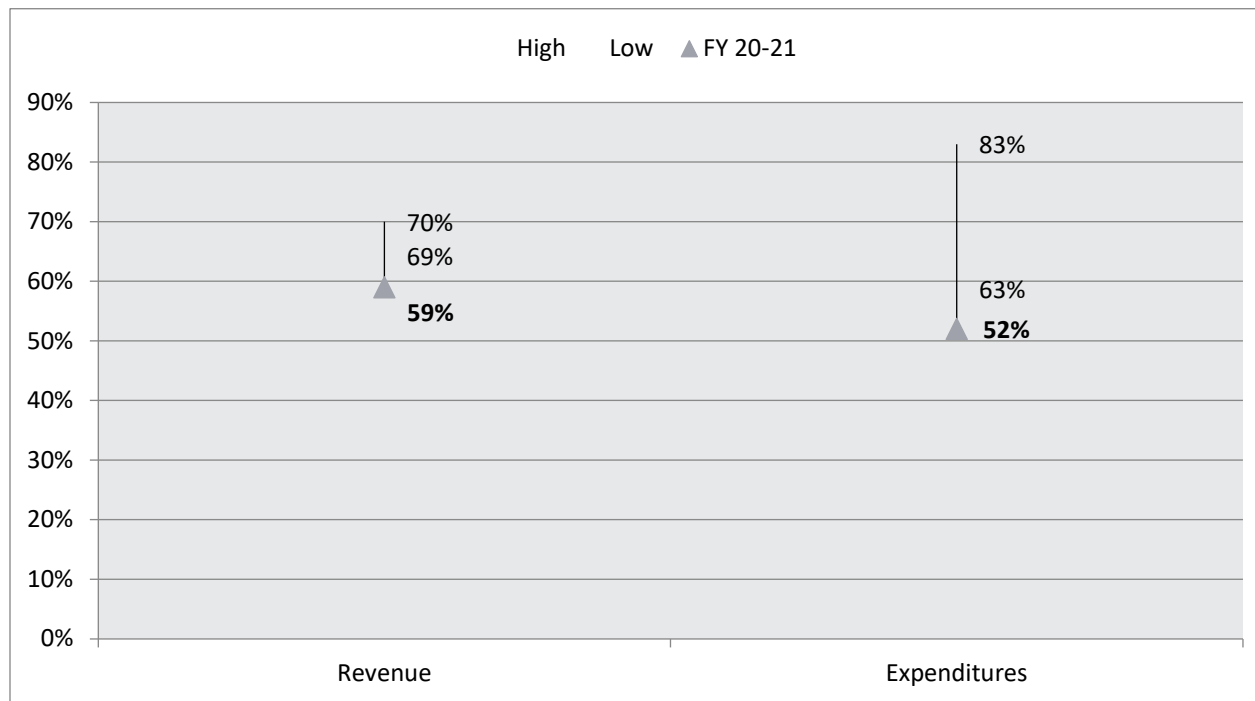
FY21 Amended Budget as of March 31, 2021 - \$241.0M



FY21 Appropriation Changes since Adopted Budget

Fund	FY 20-21 Adopted	Carryovers	Encumbrances	Adjustments Approved in 1st and 3 rd Quarter	FY 20-21 Amended Budget as of March 31, 2021
General	\$ 80,528,492	\$ 26,980,460	\$ 3,176,881	\$ 11,071,577	\$ 121,757,410
Special Revenue	7,778,561	19,458,782	555,369	1,047,239	28,839,951
Debt Service	3,169,138	-	-	27,549,892	30,719,030
Capital Projects	3,762,723	35,073,216	1,732,364	1,125,600	41,693,903
Enterprise	7,679,246	1,713,928	120,218	398,814	9,912,206
Internal Service	7,673,065	178,086	190,832	-	8,041,983
Total All Funds	\$110,591,225	\$ 83,404,472	\$ 5,775,664	\$ 41,193,122	\$ 240,964,483

General Fund Revenues & Expenditures – Third Quarter Trends (3-year)



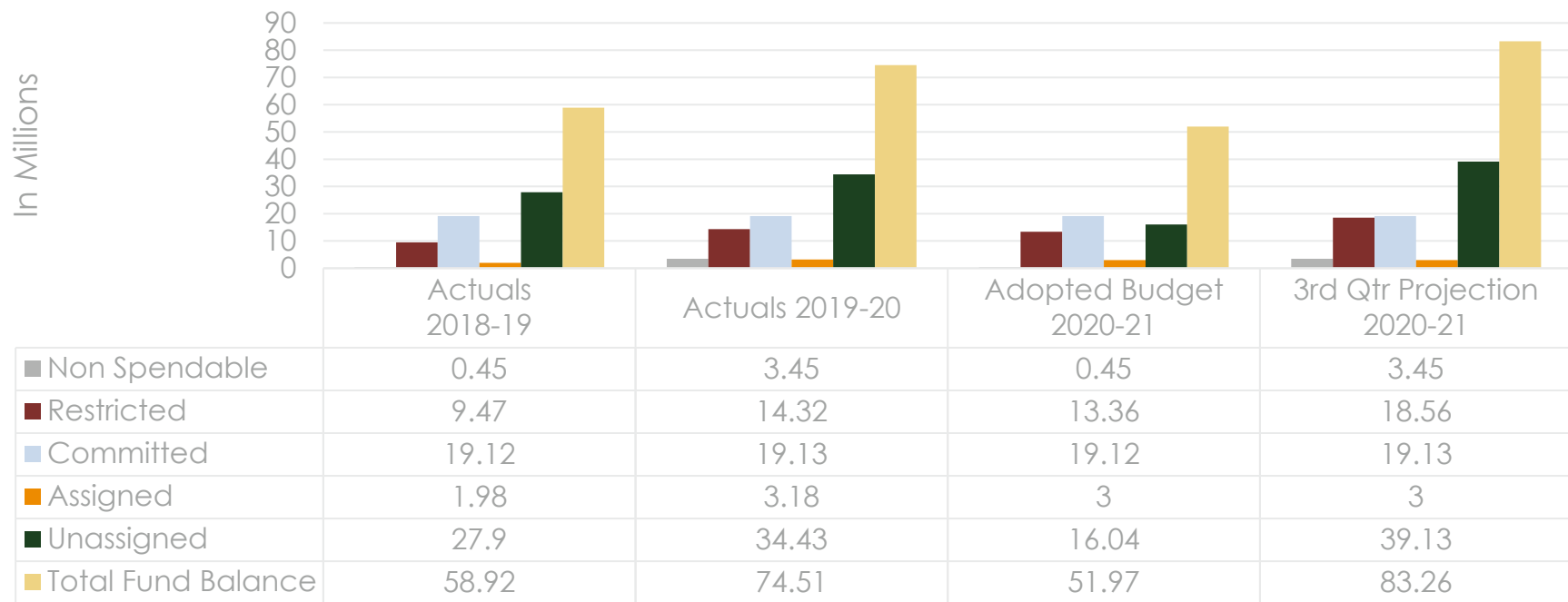
General Fund Revenues – 3rd Quarter FY 20 vs. FY 21

Revenue Category	3rd Qtr 2020	3rd Qtr 2021	Variance	% Change
05 - Sales tax	\$ 23,030,624	\$ 29,074,921	\$ 6,044,297	26%
10 - Property tax	15,818,537	17,078,696	1,260,158	8%
15 - Transient occupancy	6,291,592	1,257,976	(5,033,616)	-80%
20 - Utility tax	2,247,616	2,053,658	(193,958)	-9%
25 - Franchise fees	1,591,598	1,486,102	(105,497)	-7%
30 - Other taxes	1,068,099	2,156,548	1,088,450	102%
35 - Licenses and permits	4,048,493	3,099,012	(949,481)	-23%
40 - Use of money and property	1,703,481	1,427,530	(275,951)	-16%
45 - Intergovernmental revenue	492,944	1,139,709	646,766	131%
50 - Charges for services	8,877,563	8,207,298	(670,265)	-8%
55 - Fines and forfeitures	254,611	83,408	(171,202)	-67%
60 - Miscellaneous	1,154,168	1,167,244	13,076	1%
65 - Transfers in	10,012,000	507,831	(9,504,169)	-95%
70 - Other financing sources	\$ 268,305	\$ 391,475	\$ 123,170	46%
Grand Total	\$ 76,859,630	\$ 69,131,408	\$ (7,728,221)	-10%

General Fund Expenditures – 3rd Quarter FY 20 vs. FY 21

Expenditure Category	3rd Qtr 2020	3rd Qtr 2021	Variance	% Change
05 - Employee compensation	\$ 13,616,045	\$ 14,025,160	\$ 409,115	3%
10 - Employee benefits	5,956,476	6,501,104	\$ 544,628	9%
15 - Materials	3,546,836	2,680,853	\$ (865,982)	-24%
20 - Contract services	16,428,381	15,412,930	\$ (1,015,452)	-6%
25 - Cost allocation	7,339,858	7,855,155	\$ 515,297	7%
30 - Capital outlays	-	171,322	\$ 171,322	0%
31 - Special projects	1,524,095	973,256	\$ (550,839)	-36%
45 - Transfer out	30,892,276	15,148,689	\$ (15,743,587)	-51%
50 - Other financing uses	198,597	205,633	\$ 7,036	4%
Grand Total	\$ 79,502,604	\$ 62,974,394	\$ (16,528,209)	-21%

General Fund – Fund Balance



Adjustments by Department

- Administrative Services - \$135,818

Description	Revenue	Expenditure	Fund Balance
EDD Unemployment	-	\$135,818	(\$135,818)

Adjustments by Department

- Parks and Recreation - \$547,313

Description	Revenue	Expenditure	Fund Balance
Tennis Program	\$645,750	\$547,313	\$98,347

Adjustments by Department

- Public Works - \$73,235

Description	Revenue	Expenditure	Fund Balance
Telephone and Data Services	-	\$22,793	(\$22,793)
City Property Storm Drain Fee	\$30,913	-	\$30,913
CIP – McClellan West Parking Lot Improvements Environmental Monitoring	-	\$39,200	\$39,200)
Vehicle Accident Settlement	\$9,254	\$11,242	(\$1,988)

Adjustments by Department

- Non-Departmental - \$30,913

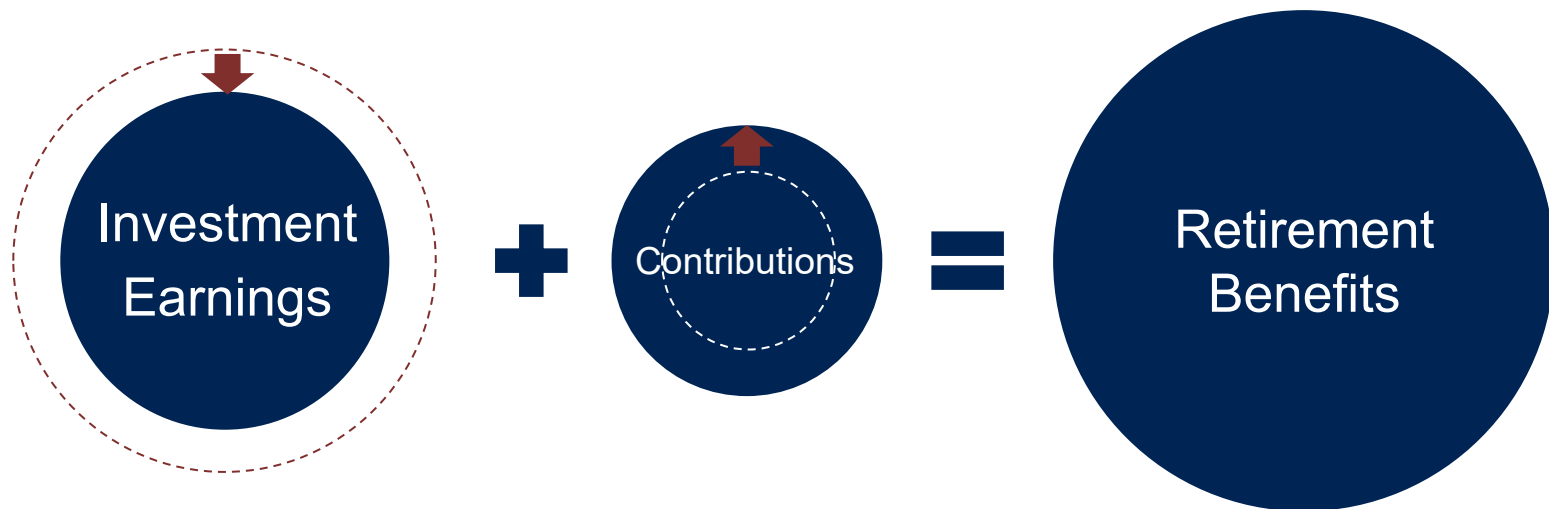
Description	Revenue	Expenditure	Fund Balance
City Property Storm Drain Fee	-	\$30,913	(\$30,913)
Sales Tax Estimate Increase	\$4,014,381	-	\$4,014,381
American Rescue Plan Act	\$4,852,301	-	\$4,852,301

COVID-19 True-Up Adjustment - \$535,258

Department	Revenue	Expenditure	Fund Balance
Administration	-	\$30,665	(\$30,665)
Administrative Services	-	\$174,756	(\$174,756)
Innovation & Technology	-	\$37,295	(\$37,295)
Parks & Recreation	-	\$68,384	(\$68,384)
Public Works	-	\$224,158	(\$224,158)
Non-Departmental		(\$535,258)	\$535,258

Impacts of CalPERS Investment Returns

If the investment return is lower than expected ...



... the City's required contributions will increase to cover the shortfall



City Strategies

Section 115 Trust

\$17.5 M

Discount Rate

6.25%

Funded Status

Funded Ratio



Funded Ratio + Section 115 Trust





Recommendations

- Accept the City Manager's Third Quarter Financial Report for Fiscal Year 2020-21.
- Adopt Resolution No. 21-XXX approving Budget Modification #2021-140 increasing appropriations by \$787,279 and revenues by \$9,552,599
- Approve \$2,000,000 contribution from the General Fund to the City's Section 115 Pension Trust

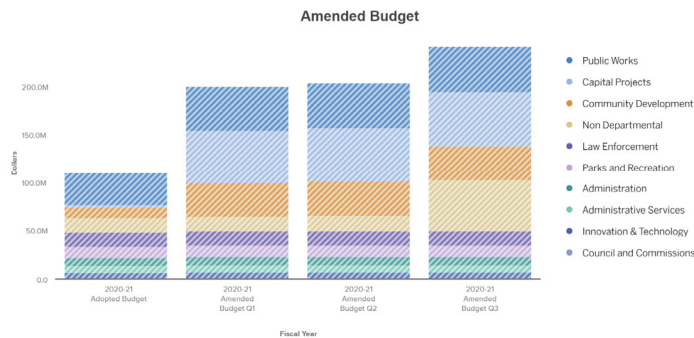


Next Steps

- FY 2021-22
 - Proposed Budget Study Session May 18, 2021
 - Final Budget Hearing and Adoption June 15, 2021
 - First Quarter Financial Report November 16, 2021

Transparency and Engagement

OpenGov Interactive Third Quarter Financial Report



CITY OF CUPERTINO

FY 2020-21 Third Quarter Report

The following is the Third Quarter Financial Report, submitted by the Administrative Services Department for the period January 1, 2021 to March 31, 2021 of the 2020-21 fiscal year. It has been prepared to inform the City Council, City leadership, and the public of the City's fiscal status.

Background

On June 16, 2020, the City Council adopted the Fiscal Year (FY) 2020-21 Budget, a \$110,591,225 spending plan for the City of Cupertino. On November 17, 2020, Council received an update on the City's spending plan as part of the City Manager's First Quarter Financial Report, which revised the budget to account for encumbrances of \$5,775,664 and carryover appropriations of \$83,404,472 from FY 2019-20. These carryover appropriations included \$35 million in capital projects, \$20 million for Vallco Town Center, and \$8 million for Lawrence Mitty Park. Encumbrances represent funds for obligations related to unfilled purchase orders or unfilled contracts that are rolled over from one year to the next until those obligations are fulfilled or terminated. Carryover appropriations are unencumbered funds for unfinished projects that are carried over for use in the following fiscal year in order to complete those projects.

In the first three quarters of FY 2020-21, Council approved \$41,193,122 in additional appropriations mostly related to the refinancing of the City's Certificates of Participation which increased current year appropriations by \$27.5 million, a \$5 million transfer to the Capital Reserve, and a \$4.5 million increase for the Torre Ave. property acquisition.

This resulted in an amended budget of \$240,964,483.

Questions?



CC 5-18-2021

#17

FY 2022 Proposed Budget

Presentation

Fiscal Year 2021-22 Proposed Budget

May 18, 2021



**CITY OF
CUPERTINO**

Study Session Objective



RECEIVE COMMENTS AND QUESTIONS
FROM COUNCIL AND PUBLIC



GATHER REQUESTS AND RETURN WITH
UPDATES FOR FINAL BUDGET HEARING
WHEN COUNCIL WILL VOTE ON THE
FINAL BUDGET

FY 2021-22 Themes



WEATHERING THE
STORM

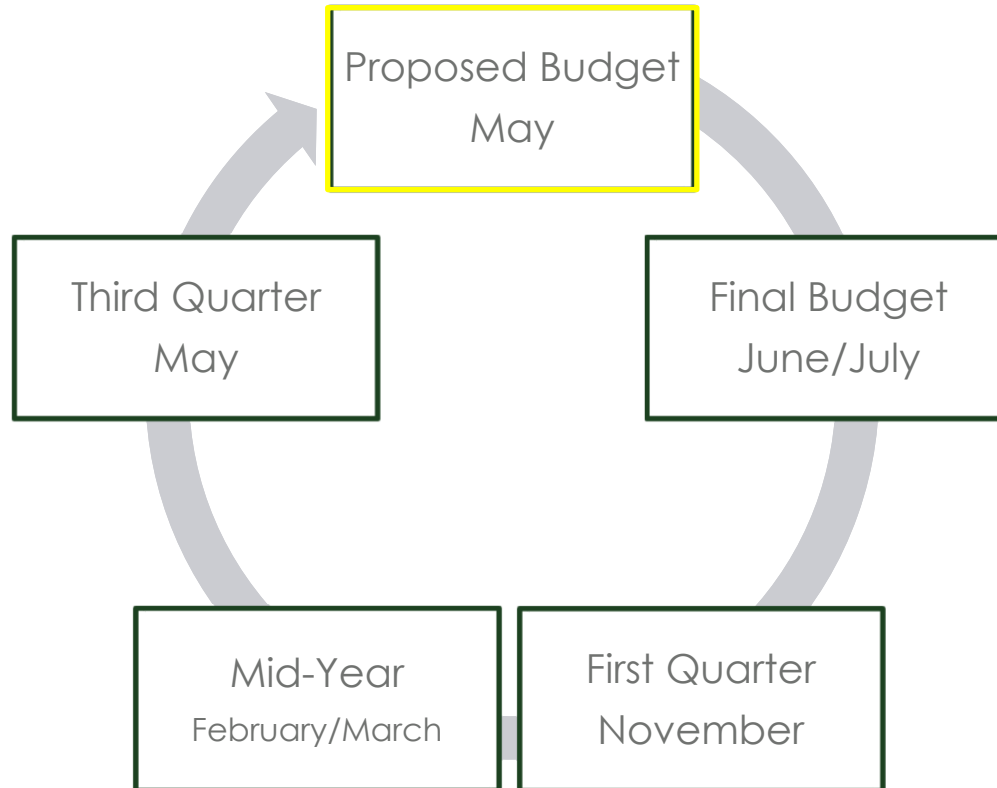


BUILDING ON A
STRONG FISCAL
FOUNDATION



STRONG FUND
BALANCE = TIME TO
ADJUST COURSE

Budget Cycle



Accessing the Budget

- ❑ Online at www.cupertino.org/budget
- ❑ On the City's transparency portal
www.cupertino.org/opengov
- ❑ Resident Tax Calculator and Forecast
Transparency Tool
www.cupertino.org/financial-transparency-tools

Agenda



Fiscal Year 2021-22 General Fund Assumptions and Forecast



Fiscal Year 2021-22 All Funds Summary




Proposed Budget Requests



Issues and Challenges







Budget Calendar







Fiscal Year 2021-22 General Fund Assumptions and Forecast

General Fund FY 21-22 Proposed Revenues

Category		FY 20-21 Adopted	FY 21-22 Proposed	Change (\$)	Change (%)
Sales Tax		\$ 20,910,889	\$ 27,855,559	\$ 6,944,670	33%
Property Tax		\$ 25,353,783	\$ 27,840,341	\$ 2,486,558	10%
Transient Occupancy Tax		\$ 7,546,884	\$ 3,000,000	\$ (4,546,884)	-60%
Utility Tax		\$ 3,223,712	\$ 3,245,447	\$ 21,735	1%
Franchise Fees		\$ 3,280,447	\$ 3,380,986	\$ 100,539	3%
Other Taxes		\$ 1,212,939	\$ 1,248,720	\$ 35,781	3%
Licenses & Permits		\$ 3,139,473	\$ 3,140,195	\$ 722	0%
Use of Money & Property		\$ 1,246,510	\$ 1,072,220	\$ (174,290)	-14%
Intergovernmental		\$ 335,567	\$ 5,093,946	\$ 4,758,379	1418%
Charges for Services		\$ 11,091,064	\$ 12,047,922	\$ 956,858	9%
Fines & Forfeitures		\$ 425,000	\$ 225,000	\$ (200,000)	-47%
Miscellaneous		\$ 1,293,857	\$ 1,320,555	\$ 26,698	2%
Total All Funds		\$ 79,060,125	\$ 89,470,891	\$ 10,410,766	13%

General Fund FY 21-22 Proposed Expenditures

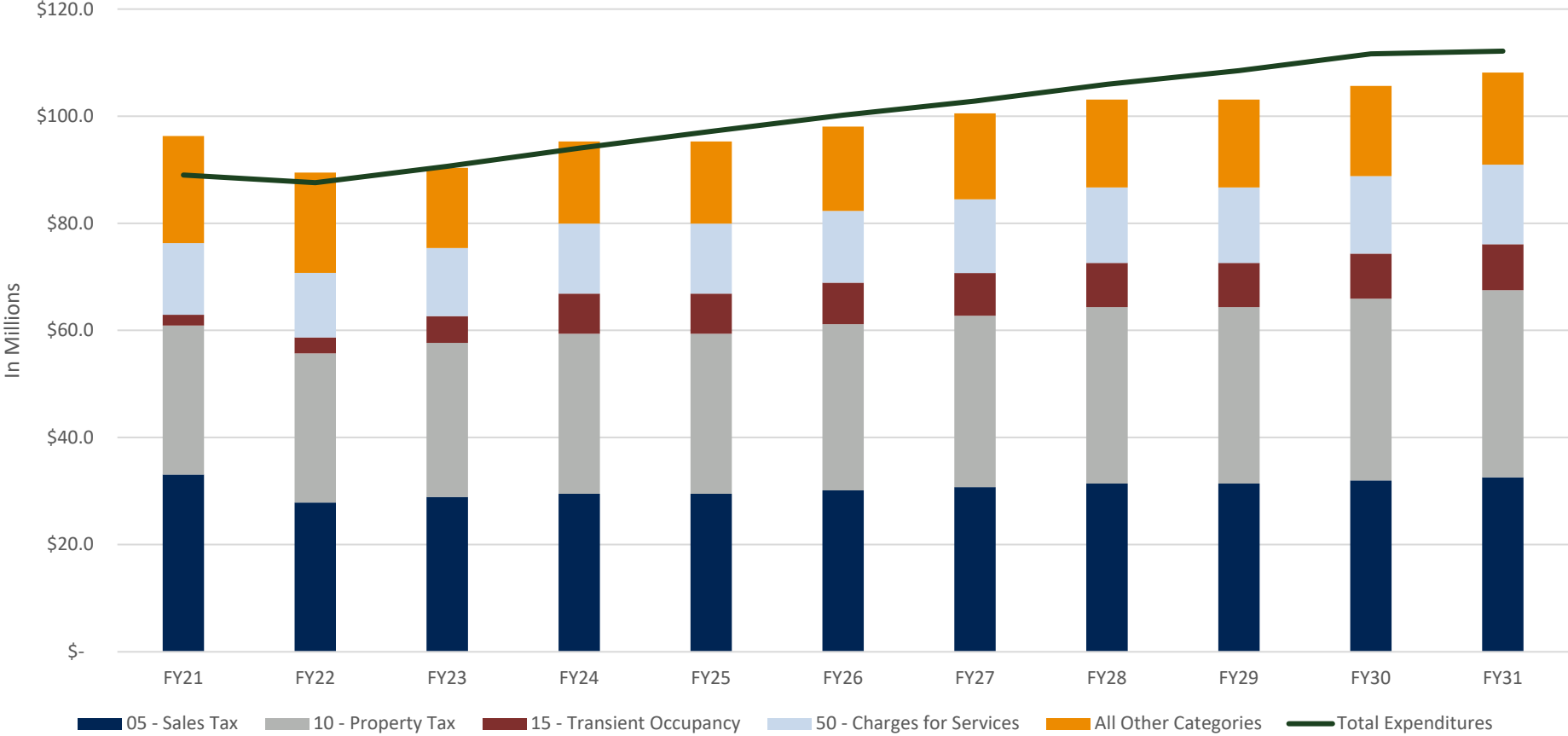
Category		FY 20-21 Adopted	FY 21-22 Proposed	Change	% Change
Employee Compensation		\$ 20,295,000	\$ 21,304,931	\$ 1,009,931	5%
Employee Benefits		\$ 8,903,632	\$ 9,900,842	\$ 997,210	11%
Total Personnel Costs Changes		\$ 29,198,632	\$ 31,205,773	\$ 2,007,141	7%
Materials		\$ 6,058,121	\$ 6,849,707	\$ 791,586	13%
Contract Services		\$ 22,051,314	\$ 24,598,223	\$ 2,546,909	12%
Cost Allocation		\$ 10,473,534	\$ 11,948,062	\$ 1,474,528	14%
Capital Outlays/Special Projects		\$ 1,448,852	\$ 795,000	\$ (653,852)	-45%
Contingencies		\$ 824,350	\$ 945,029	\$ 120,679	15%
Other Financing Uses		\$ 525,000	\$ 545,000	\$ 20,000	4%
Transfers Out		\$ 9,948,689	\$ 11,251,984	\$ 1,303,295	13%
Total All Funds		\$ 80,528,492	\$ 88,138,778	\$ 7,610,286	9%

10 Year Forecast Models - Assumptions

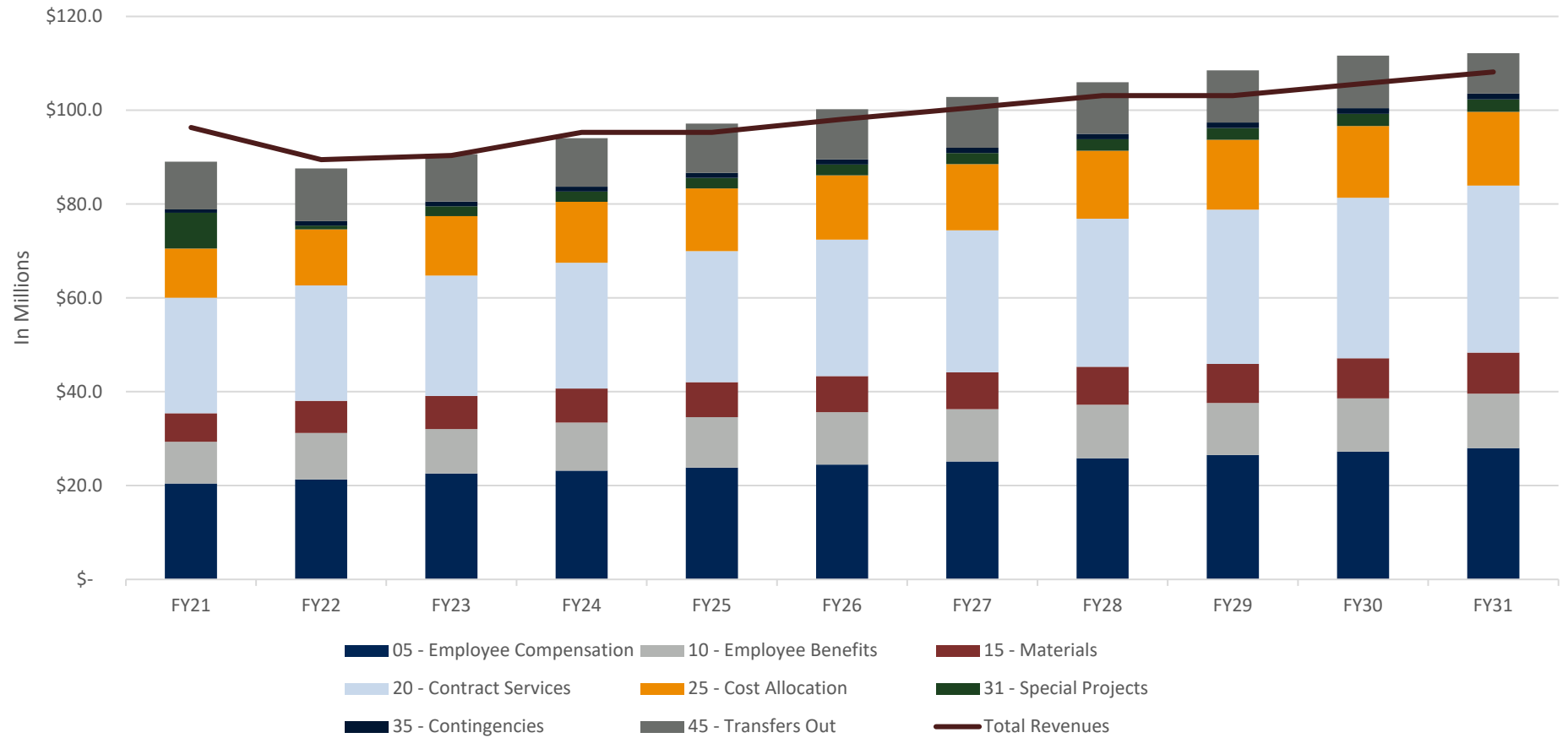
Revenues	Forecast A	Forecast B - Recommended	Forecast C
<ul style="list-style-type: none"> • Recession in FY25 and FY29 = No Growth 			
Sales Tax	<ul style="list-style-type: none"> • \$29.1M in FY 21-22 • 2% annual growth 	<ul style="list-style-type: none"> • \$27.9M in FY 21-22 • 2% annual growth 	<ul style="list-style-type: none"> • \$26.6M in FY 21-22 • 2% annual growth
Property Tax	<ul style="list-style-type: none"> • \$27.8M in FY 21-22 • 3% annual growth 	<ul style="list-style-type: none"> • \$27.8M in FY 21-22 • 2.5% annual growth 	<ul style="list-style-type: none"> • \$27.8M in FY 21-22 • 0.5% annual growth
Transient Occupancy Tax	<ul style="list-style-type: none"> • \$10M recovery • Recovery in FY 23/24 	<ul style="list-style-type: none"> • \$7.5M recovery • Recovery in FY 23/24 	<ul style="list-style-type: none"> • \$5M recovery • Recovery in FY 23/24



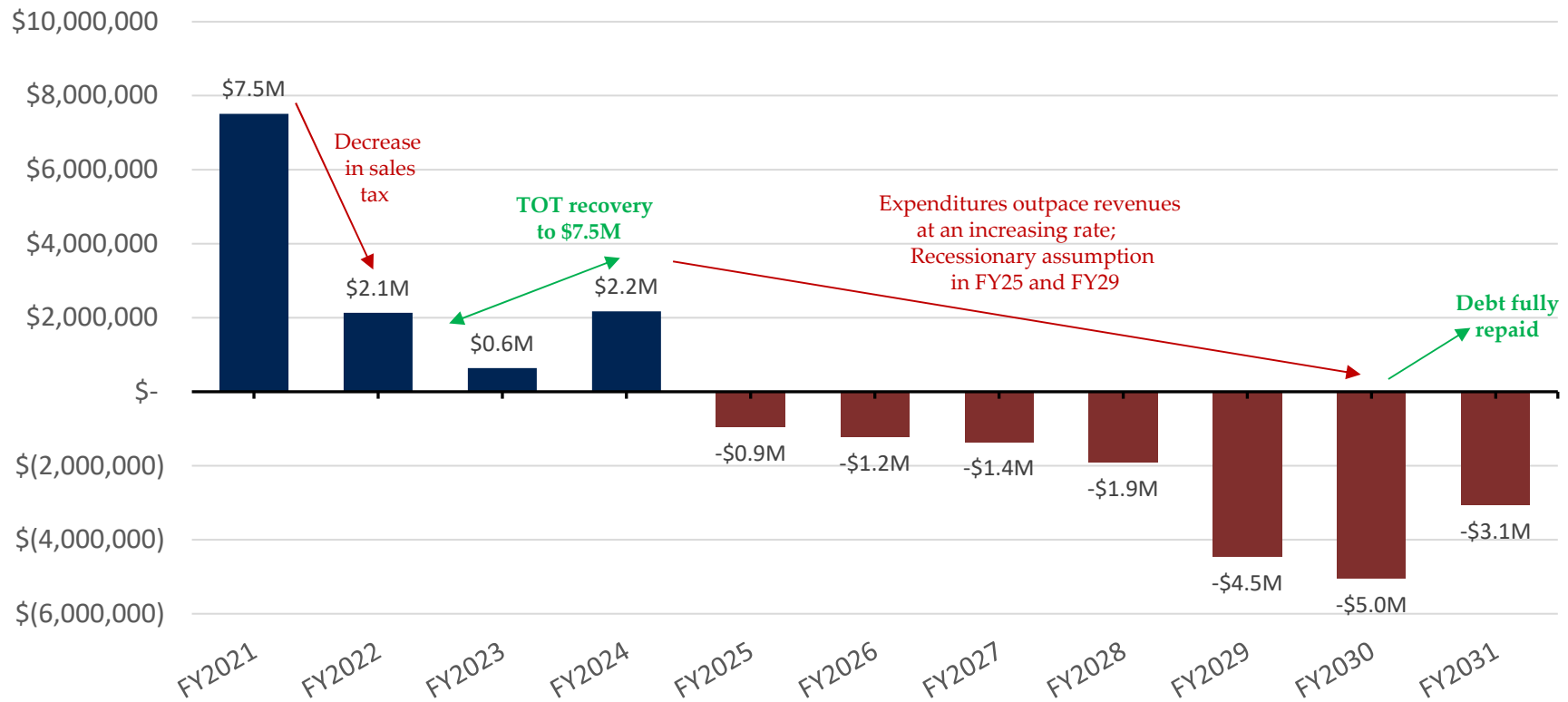
Recommended Revenue Forecast (B)



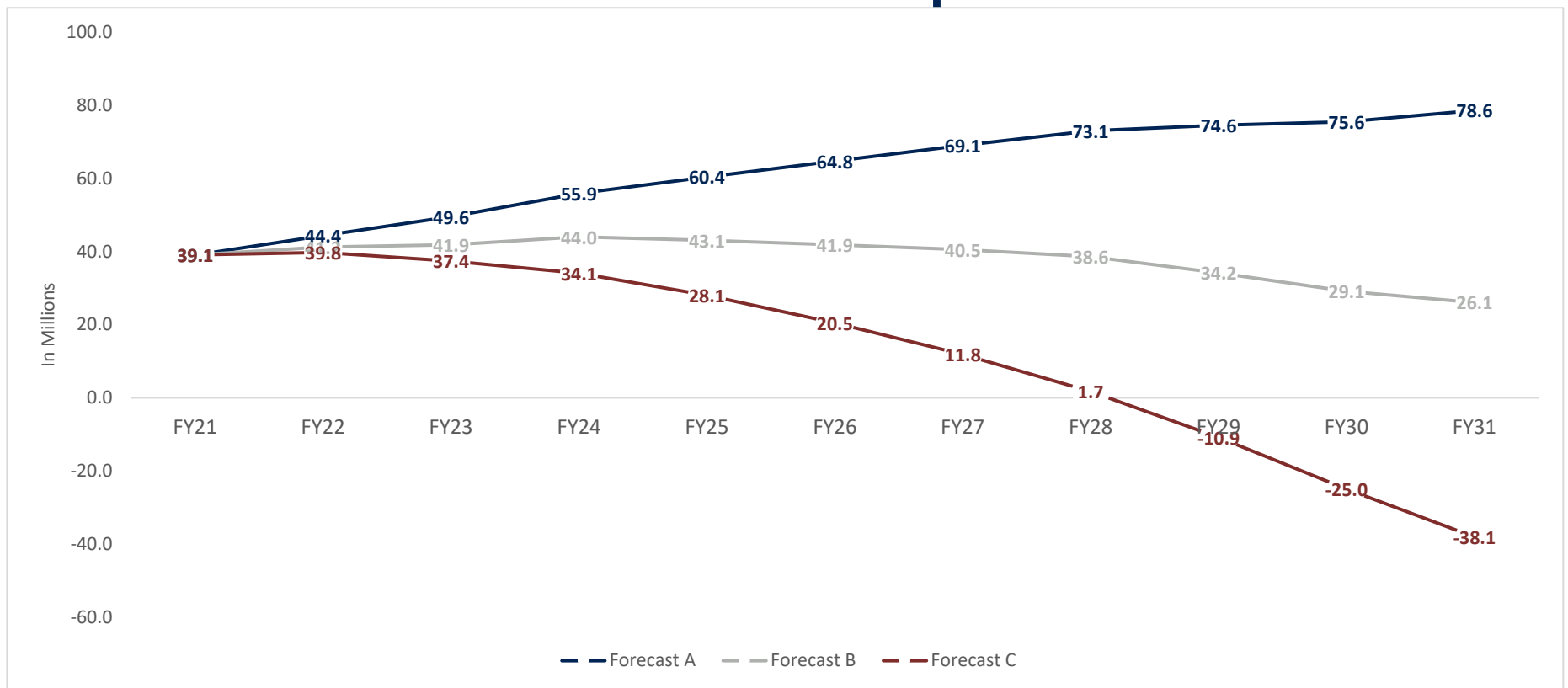
Recommended Expenditures Forecast (B)



Annual Operating Surplus/(Deficit) Recommended Forecast B



General Fund Unassigned Fund Balance Forecast Cumulative Comparison









Moderate Forecast Considerations

- Unassigned fund balance ends with \$26.1M
- Economic Uncertainty Reserve intact at \$19M
- Section 115 Trust intact at \$35M in FY31
- Anticipated development projects not included
- No CIP transfers are included



Fiscal 21-22 All Funds Summary and Proposed Budget Requests

All Funds Expenditures by Classification (excluding General Fund)

Category	FY 20-21 Adopted	FY 21-22 Proposed	Difference (\$)	Difference (%)
05 - Employee compensation 	\$ 4,793,184	\$ 5,380,086	\$ 586,902	12%
10 - Employee benefits 	\$ 3,208,660	\$ 3,567,819	\$ 359,159	11%
15 - Materials	\$ 2,277,205	\$ 2,531,251	\$ 254,046	11%
20 - Contract services 	\$ 6,224,096	\$ 8,289,836	\$ 2,065,740	33%
25 - Cost allocation	\$ 2,190,540	\$ 2,420,869	\$ 230,329	11%
30 - Capital outlays	\$ 2,982,000	\$ 1,000,000	\$ (1,982,000)	-66%
31 - Special projects 	\$ 1,802,200	\$ 5,158,200	\$ 3,356,000	186%
35 - Contingencies	\$ 222,132	\$ 244,170	\$ 22,038	10%
40 - Debt services	\$ 3,169,138	\$ 2,676,000	\$ (493,138)	-16%
45 - Transfer out	\$ 2,004,449	\$ 381,000	\$ (1,623,449)	-81%
50 - Other financing uses	\$ 1,189,129	\$ 1,244,628	\$ 55,499	5%
Total	\$ 30,062,733	\$ 32,893,859	\$ 2,831,126	9%



City Council and Commissions – Community Funding Requests

- Currently not included
- 17 applications received
- \$92,900 requested (\$112,900 including Historical Society)

Administration – Special Projects

Special Projects	Work Program	Costs
Climate Action Plan 2.0	X	\$78,000
New City Seal	X	\$75,000
Personal Preparedness Kit	X	\$10,000
Electric Cook Workshop Series		\$6,400
Total		\$169,400

Law Enforcement – Proposed Requests

Category	FY 20-21	FY 21-22	Variance
	Adopted Budget	Proposed Budget	
EXPENDITURES	\$14,792,448	\$15,756,350	\$963,902

- \$963,902 – increase in sheriff's contract

IT – Special Projects

Special Project	Costs
Security Framework and Audit	\$60,000
Redesign of City Website	\$45,000
Council Voting System and Timer	\$32,000
Data Governance and Data Warehouse	\$75,000
Quinlan Touch Screen	\$40,000
Performance Management Application	\$32,000
Drone Deploy	\$18,000
Customer Service Solution for CDD	\$65,000
ERP Exploration	\$50,000
Accela Business License	\$25,000
All Other Requests	\$287,160
Total	\$729,160

*Refer to page 38 and 39 of FY 21-22 Proposed Budget for full list of IT's special projects

Parks and Recreation – Proposed Requests

Special Project	Costs
#CupertinoCares	\$75,000
Environmental Education Center	\$1,000
Animal Displays	
Total	\$76,000

Festivals

Festival	Date	Festival Producer	Waived Fees			City Expenses		Total
			Recreation	Facility/ Park/Road Permits	Public Works	Sheriff	Materials	
Kids 'N Fun Festival	Aug. 14, 2021	Taiwanese Cultural and Sports Association	\$1,402	\$10,000	\$2,871	\$4,701	\$0	\$ 18,974
Night Market	Aug. 28, 2021	Chamber of Commerce	\$1,881	\$3,090	\$1,693	\$2,880	\$0	\$ 9,544
Fall Festival	Sept. 11, 2021	Cupertino Rotary	\$1,714	\$7,762	\$3,047	\$4,800	\$0	\$ 17,323
Diwali	Oct. 16, 2021	Cupertino Chamber of Commerce	\$1,343	\$6,630	\$3,070	\$5,760	\$0	\$ 16,803
Veteran's Day	Nov. 11, 2021	Cupertino Veteran's Memorial	\$628	\$1,000	\$18	\$0	\$1,508	\$ 3,154
Holi	April 3, 2022	Cupertino Chamber of Commerce	\$1,205	\$3,000	\$18	\$1,881	\$0	\$ 6,104
Cherry Blossom	April 30-May 1, 2022	Toyokawa Sister City	\$3,662	\$19,682	\$5,892	\$4,702	\$0	\$ 33,938
World Journal	TBD	World Journal/Cupertino Chinese School	\$1,647	\$4,960	\$3,043	\$4,251	\$0	\$ 13,901
Konark Dance and Music Festival	TBD	Cupertino Bhubaneswar Sister City	\$1,352	\$2,910	\$1,667	\$1,410	\$0	\$ 7,339
Relay for Life	June 18, 2022	American Cancer Society	\$294	\$2,576	\$14	\$0	\$0	\$ 2,884
Tournament of Bands		Cupertino Tournament of Bands	\$0	\$3,400	\$3,000	\$1,400	\$0	\$ 7,800
Heroes Run	TBD	VMC Foundation	\$480	\$3,400	\$2,000	\$0	\$0	\$ 5,880
Costs for FY 21-22 Events			\$ 15,608	\$ 68,410	\$ 26,333	\$ 31,785	\$ 1,508	\$ 143,644
			TOTAL		\$110,351	TOTAL	\$33,293	

Community Development – Special Projects

Special Project	City Work Program	Costs
Development Accountability	X	\$10,000
General Plan and Muni Code Update	X	\$250,000
Residential and Mixed Use Design Standards	X	\$40,000
RHNA and General Plan Update	X	\$300,000
Sign Ordinance Update	X	\$25,000
City Marketing	X	\$5,000
Regulating Diversified Retail Use	X	\$5,000
Affordable Housing Strategies	X	\$300,000
Homeless Services and Facilities	X	\$300,000
Laserfische planning map scanning		\$30,000
Targeted Marketing Program to Assist Small Business		\$9,100
Total		\$1,274,100

Public Works – Special Projects

Special Project	City Work Program	Costs
Municipal Water System	X	\$100,000
SB1383 Procurement Requirements		\$50,000
Vehicle Replacement		\$626,200
Vactor Truck		\$366,000
Streetlight Pole Replacement		\$208,000
VMT to LOS Standards		\$130,000
Annual Sidewalk Grinding		\$100,000
Annual Crack Seal Project		\$105,925
Annual Fog Seal Project		\$245,926
Streets, Parking Lots, and Park Pathways		\$3,100,000
Annual Sidewalk Curb & Gutter		\$1,300,000
All Other Requests		\$832,240
Total		\$7,164,291

*Refer to page 38 and 39 of FY 21-22 Proposed Budget for full list of Public Works' special projects

Non-Departmental – Proposed Requests

Category	FY 20-21 Adopted Budget	FY 21-22 Proposed Budget	Variance
EXPENDITURES	\$15,122,276	\$13,960,487	(\$1,161,789)

- \$13,960,487 – transfers out and debt service payments
 - Debt service payments decreased \$493,138 due to refinancing

Items for Final Budget Hearing – Operating and Capital

Fund	Revenue	Expenditure	Fund Balance	Description
General Fund	-	63,376	(63,376)	City Hall Annex (10455 Torre)
General Fund	-	92,900	(92,900)	Community Funding
General Fund	177,000	371,738	(194,738)	Library Services
General Fund	-	754,992	(754,992)	Four (4) FTE Requests
General Fund	-	500,000	(500,000)	CDD Legal Costs
General Fund	-	843,000	(843,000)	City Work Program
Total General Fund	\$ 177,000	\$ 2,626,006	\$ (2,449,006)	

Items for Final Budget Hearing – Operating and Capital

Fund	Revenue	Expenditure	Fund Balance	Description
Storm Drain Fund Special Revenue Fund	-	2,000,000	(2,000,000)	CIP - Pumpkin and Fiesta Storm Drain Project Phase 1 & 2
BMR AFH Special Revenue Fund	-	(100,000)	100,000	City Work Program
Park Dedication Special Revenue Fund	3,650,000	4,650,000	(1,000,000)	CIP - Memorial Park - Pond Resurfacing
Total Special Revenue Funds	\$ 3,650,000	\$ 6,550,000	\$ (2,900,000)	
CIP Capital Projects Fund	8,158,000	8,158,000	-	CIP - All Other CIP Projects and Transfers In
Capital Reserve Capital Projects Fund	-	11,422,048	(11,422,048)	Capital Improvement Program - Transfer Out
Total Capital Projects Funds	\$ 8,158,000	\$ 19,580,048	\$ (11,422,048)	
Resource Recovery Enterprise Fund	-	70,000	(70,000)	City Work Program
Total Enterprise Funds	\$ -	\$ 70,000	\$ (70,000)	



Issues and Challenges, Staffing and Conclusion

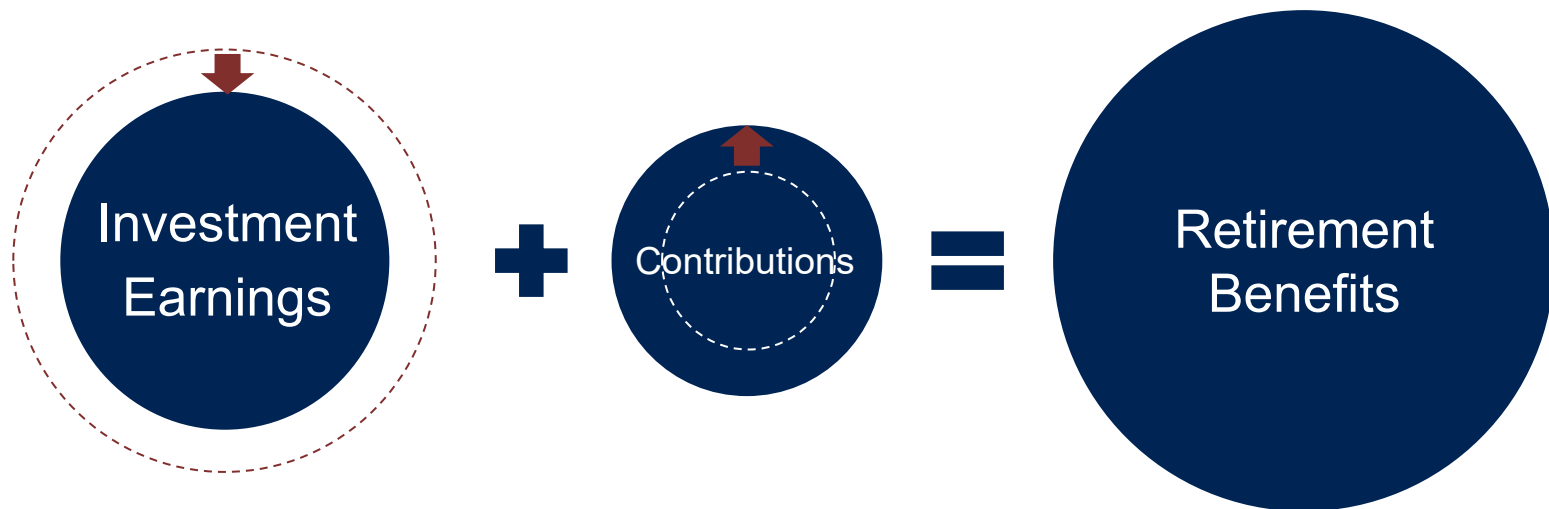


Issues and Challenges

- ❑ COVID-19
- ❑ Revenue Volatility
- ❑ Capital Project Funding
- ❑ Retirement Costs

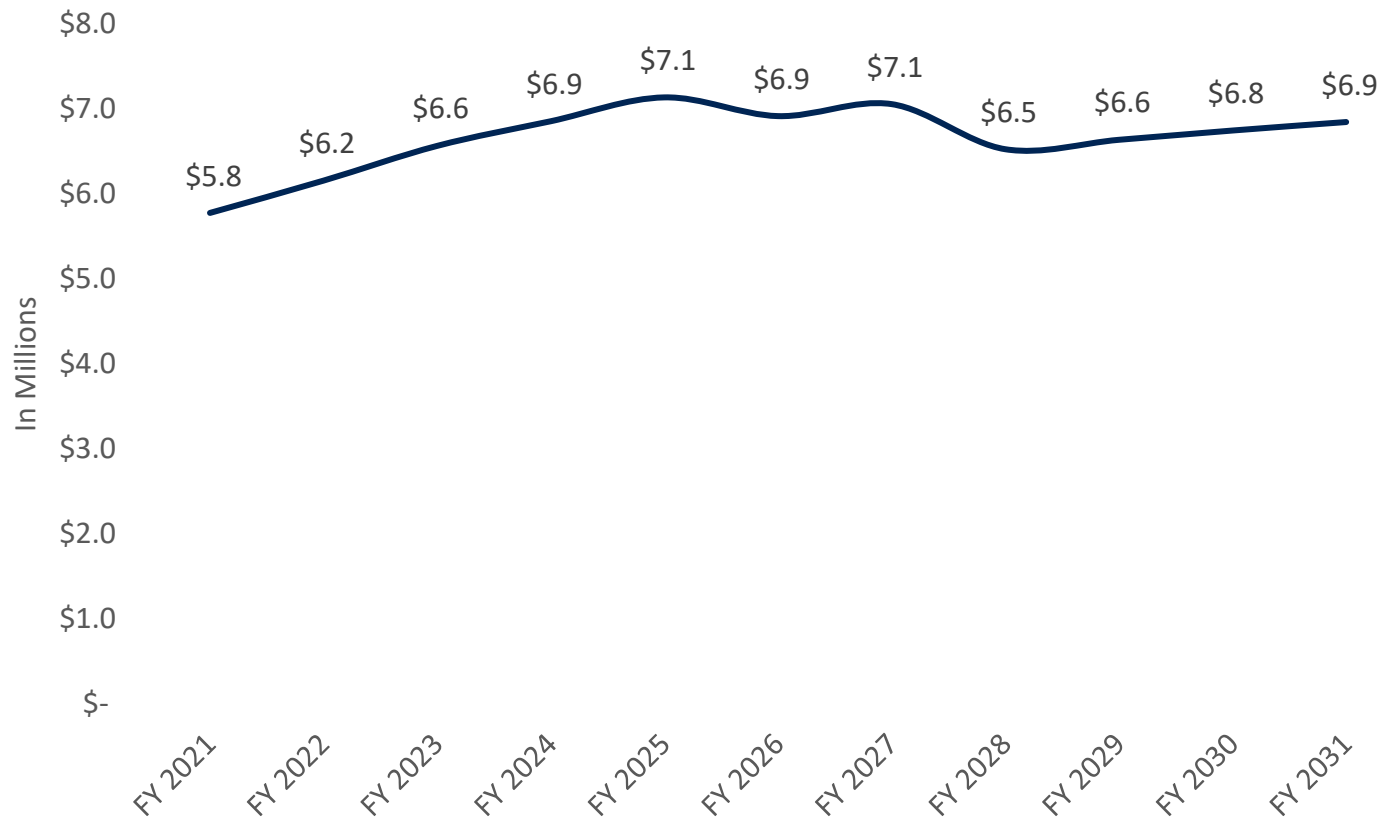
Impacts of CalPERS Investment Returns

If the investment return is lower than expected ...



... the City's required contributions will increase to cover the shortfall

Rising CalPERS Costs





City Strategies

Section 115 Trust

\$17.5 M

Discount Rate

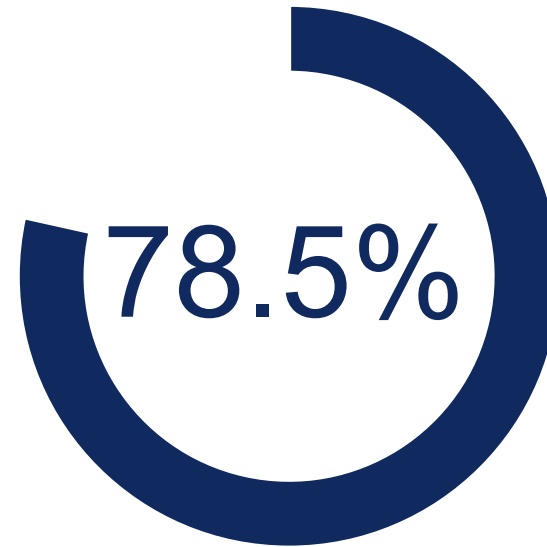
6.25%

Funded Status

Funded Ratio



Funded Ratio + Section 115 Trust



FY 2021-22 Staffing Requests

□ 6 Position Requests

Department	Position	Salary + Benefits
Community Development	Senior Planner	\$192,681
Community Development	Permit Technician	\$141,956
Community Development	Plan Check Engineer	\$202,772
Administration	Emergency Services Analyst	\$180,609
Public Works	CIP Project Manager	\$217,583
Public Works	Environmental Programs Coordinator *	\$171,709
Total		\$1,107,310

* Costs are offset by revenues



Next Steps

- ❑ FY 2020-21

- ❑ Third Quarter Report May 18th

- ❑ FY 2021-22

- ❑ CIP Presentation June 15th

- ❑ Hearing and Adoption June 15th

- ❑ First Quarter Report Nov 2021

Questions?



CUPERTINO

CC 5-18-2021

#18

Community Funding Grant
Program

Presentation

Community Funding Grant Program

City Council

May 18, 2021



CUPERTINO



Agenda

- Background
- Evaluation Process
- Eligibility
- Requested Funding
- Parks and Recreation Commission Recommendation
- Cupertino Historical Society
- Fiscal Impact
- Recommended Action



Background

- Application Period
 - January to February 1
- 17 applications received
- Applications reviewed for completeness
- All applicants invited to attend March 4 Parks and Recreation Commission meeting



Evaluation Process

- Parks and Recreation Commission April 1 Meeting
 - Reviewed and evaluated applications
 - Completed evaluation form and provided totals for each group out of 100
 - Staff compiled data
 - Commission determined recommendation to Council



Eligibility

- Initial review of 17 submitted applications
 - 7 fully met eligibility requirements
 - 10 pending eligibility, needing further consideration
- All applications were ranked in the evaluation process
- Final eligibility determined by Commission
 - 15 applicants eligible
 - 2 applicants ineligible

Requesting Funding

Applicant	Amount Requested
West Valley Community Services of Santa Clara County, Inc.	\$ 10,000
Buddhist Tzu Chi Medical Foundation	\$ 7,400
Cupertino Library Foundation	\$ 15,000
Santa Clara Valley Audubon Society	\$ 8,500
Friends of Deer Hollow Farm	\$ 7,000
Chinese American Coalition for Compassionate Care	\$ 12,000
Valkyrie Robotics	\$ 3,000
Rotary Club Of Cupertino	\$ 12,000
Tian Hong Foundation	\$ 3,000
Euphrat Museum Of Art	\$ 15,000
APALI	\$ 20,000
Kalashree Foundation Inc.	\$ 9,999
Monta Vista High School Speech Boosters Inc	\$ 13,024
Silicon Valley Jewish Film Festival	\$ 10,000
Discovery Counseling Center - Cupertino (DCCC)	\$ 7,200
Dhwani Academy of Percussion Music in the United States	\$ 9,100
Curiki	\$ 20,000
Total	\$182,223

Parks and Recreation Commission Recommendation

Organization	Recommended Funding Amount
West Valley Community Services	\$10,000
Cupertino Library Foundation	\$15,000
Buddhist Tzu Chi Medical Foundation	\$7,400
Santa Clara Valley Audubon Society	\$8,500
Friends of Deer Hollow Farm	\$7,000
Chinese American Coalition for Compassionate Care	\$12,000
Valkyrie Robotics	\$3,000
Tian Hong Foundation	\$3,000
Rotary Club of Cupertino	\$12,000
Euphrat Museum of Art	\$15,000
Total	\$92,900



Parks and Recreation Commission Recommendation

- Considered suggested funding range of \$70,000 to \$90,000
- Cupertino Historical Society to be considered as a separate line item in addition to the Commission's funding recommendation

Cupertino Historical Society

- Received funds through Community Funding Grant Program since 2015
- June 18, 2019 Council approved to designate \$20,000 annually as a line item for the Historical Society

Previously Awarded Funds	
Year	Amount Awarded
2015	\$10,000
2016	\$15,000
2017	\$15,000
2018	\$15,000
2019	\$20,000 (individual budget line item)
2020	\$20,000 (individual budget line item)



Cupertino Historical Society

- Required to submit a grant application and financial report each year
- December 1, 2020 Council requested to add funding of the Historical Society as a future agenda item



Fiscal Impact

If Council approves the Parks and Recreation Commission's recommended funding amount of \$92,900, **the total Community Funding Program budget for Fiscal Year 2021-22 would total \$112,900**, including \$20,000 allocated to the Cupertino Historical Society. Final funding amounts for the Community Funding Program will be included in the Recommended Budget for FY 2021-22.



Recommended Action

Consider the recommendation from the Parks and Recreation Commission to approve funds in the amount of \$92,900 for the FY 2021-22 Community Funding Grant Program and consider annual funding for the Cupertino Historical Society in the amount of \$20,000. Determine and approve final funding amounts for the Community Funding Program, to be included in the Recommended Budget for FY 2021-22; and provide direction to staff

Questions

Rachelle Sander, Assistant Director of Parks and Recreation

Whitney Zeller, Administrative Assistant

Carol Stanek, Parks and Recreation Commission Chair

