

CITY OF MILPITAS

MINUTES of: CITY COUNCIL (FINANCE) SUBCOMMITTEE

Date/Time: Thursday, August 18, 2011 – 5:30 p.m.

I. CALL TO ORDER: Council Member Althea Polanski called the meeting to order at 5:30pm

Attendance:

City Council: Mayor Jose S. Esteves, Council Member Althea Polanski
Staff: Tom Williams, Emma Karlen, Renee Lorentzen

II. PUBLIC FORUM: None

III. APPROVAL of MINUTES: The April 21, 2011 meeting minutes were approved.

IV. ITEMS FOR DISCUSSION

A. Proposed Adding Barbara Lee Senior Center Classrooms to the Master Fee Schedule, Facility Use Rules & Regulations Manual and Adding Non-Profit Rental Rates for the Barbara Lee Senior Center Community Room

Renee Lorentzen, Senior Center Program Coordinator – Staff recommended the following rooms at the new Barbara Lee Senior Center be added to the City’s Master Fee Schedule and Facility Use Rules and Regulations Manual for public rental. The rates were based off the Community Center’s conference room rates plus a little extra for the new technology and advanced audio/visual system. These rooms currently are currently underutilized. The recommendation would increase the facility revenue by \$2,000 - \$4,000 a year.

The room capacity for the Denny Weisgerber Community Room with audience seating is 300-350 people. The capacity with tables, chairs with a dance floor is 120. There is plenty of parking around City Hall and we do not anticipate there would be a parking problem if both the Community Center auditorium and the Denny Weisgerber Community Room are rented at the same time. The resident rate was lowered from \$250/hr.

Classrooms 140 & 141 (rented together)

Resident Rate:	Non-Resident Rate:	Non-Profit Rate:
\$20 – Application fee	\$20 – Application fee	\$20 – Application fee
\$200 – Deposit (refundable)	\$200 – Deposit (refundable)	\$200 – Deposit (refundable)
\$70/hr – Hourly rate	\$90/hr – Hourly rate	\$35/hr – Hourly rate

Classroom 140 or 141 (rented separately)

Resident Rate:	Non-Resident Rate:	Non-Profit Rate:
\$20 – Application fee	\$20 – Application fee	\$20 – Application fee
\$200 – Deposit (refundable)	\$200 – Deposit (refundable)	\$200 – Deposit (refundable)
\$35/hr – Hourly rate	\$55/hr – Hourly rate	\$17.50/hr – Hourly rate

Denny Weisgerber Community Room:

Non-Profit Rate:

\$20 – Application fee
\$1,000 – Deposit (refundable)
\$110/hr – Hourly rate

Current Resident Rate:

\$20 – Application fee
\$1,000 – Deposit (refundable)
\$220/hr – Hourly rate

Mayor Jose Esteves informed staff he had heard from some seniors that they need more seating during their scheduled dances. Staff will look into providing some additional seating.

Finance Subcommittee – Approved the request for the proposed rental fees. The recommendation will go to the City Council for final approval.

B. FY 10-11 Accounts Receivable Write-off

Emma Karlen, Finance Director – Staff recommended writing off the City’s outstanding FY10-11 Accounts Receivable (for utility accounts and non-utility accounts) in order to adjust the books so as not to overstate the City’s financial statements.

During the 18 month collection period we were able to collect 99.8% of our Accounts Receivable accounts. Writing off the accounts receivable does not purge our records. We can still accept any money that is later paid on such accounts.

If at a later time any of the delinquent businesses request any City service at another site or want to expand, they first need to pay any outstanding utility account before we allow them to proceed. The City utilizes the CRW system that keeps record of all outstanding accounts. To go through a civil assessment on those outstanding businesses, we would have to go to small claims court.

There was a question as to how some businesses on the delinquent list are still in operation but had not paid their annual fire permit. Staff indicated the Fire Department is working with Finance on collecting the fees.

The fiscal impact of the write off would be: General Fund: \$32,028 and the Utility Funds: \$58,320.

Finance Subcommittee – Approved the proposed FY 10-11 Accounts Receivable write-off. The recommendation will go to the City Council for final approval.

C. FY 10-11 Year-End Budget Adjustments

Emma Karlen, Finance Director – As part of the year-end closing the budget needs to be in line with expenditures. Four items were presented for budget adjustment:

1. Increase Fire Department budget appropriation by \$32,872. The overtime costs exceeded the budget due of vacancies and minimum staffing requirements.
2. Increase Planning & Neighborhood Services budget by \$26,992. The actual reimbursement from the Community Development Block Grants (CDBG) is estimated when the budget is prepared. Therefore, the grant will be fully reimbursed.
3. Transfer budget appropriation from Finance Department to Building and Safety department for \$1,486. There is no budget impact. This transfer reallocates CDBG money for administration services between departments.
4. Increase budget appropriation of CIP No. 4247 – Suggested Routes to School. This represents our portion of the matching grant from CalTrans and comes from the Street Fund.

Finance Subcommittee – Approved the proposed budget appropriations. The recommendation will go to the City Council for final approval.

V. OTHER BUSINESS

- Council Member Althea Polanski discussed the parking situation at the newly-relocated Milpitas Food Pantry. The parking space is limited and accessibility can potentially be difficult since the food pantry is located in the back area. Council Member Polanski questioned if the Food Pantry might utilize the Sal Cracolice parking area for special events such as during Thanksgiving and Christmas. City Manager, Tom Williams, indicated that was a possibility and recommended to also notify KB Home Owner's Association when a special event is planned.
- Mayor Jose Esteves received an email from Debra Lox. She would like to request to waive the fee for use of the Community Center for her proposed event. Her organization is a non-profit and Ms. Lox states the event would promote the City. Staff recommended that Ms. Lox needs to bring her request to the City Council for approval.
- Mayor Jose Esteves asked staff if the budget proposals addressing the budget deficit and reorganization would go straight to the City Council or would first go through the Finance Subcommittee. City Manager, Tom Williams, indicated he intended to go straight to the City Council. Due to time constraints, it will take several meetings to get through the budget reorganization. Council Member Althea Polanski agreed it would be better to go straight to the City Council.

VI. NEXT MEETING – Scheduled for September 15, 2011

VII. ADJOURNMENT