



CITY COUNCIL FINANCE SUBCOMMITTEE Meeting Minutes

Date/Time: Monday, August 28, 2017 at 5:30 pm,
Milpitas City Hall, Committee Conference Room

Attendees: Vice Mayor Grilli; Councilmember Nuñez,
Acting City Manager Steve Pangelinan, Finance
Director Will Fuentes; Assistant Finance Director Jane
Corpus; and Recording Secretary Rachele Currie

- I. **Flag Salute:** Councilmember Nuñez led the Pledge of Allegiance.
- II. **Call to Order:** Vice Mayor Grilli called meeting to order at 5:30pm.
- III. **Approval of Agenda:** Councilmember Nuñez motioned and seconded by Vice Mayor Grilli to approve the agenda as submitted. Approved unanimously.
- IV. **Approval of Minutes:** Councilmember Nuñez motioned and seconded by Vice Mayor Grilli to approve the March 15, 2017 as submitted. Approved unanimously
- V. **Public Forum (Please *limit comments to 3 minutes*)** – None
- VI. **Items for Discussion**

Vice Mayor Grilli commented that the goal is to create a budget process involving Council and public input before staff gets into the heart of crunching numbers for draft budget proposal. The Vice Mayor is thinking of incorporating strategic planning with team building session led by a facilitator instead of staff. Mr Fuentes responded that idea could be a good way and they have a couple of consultants they could reach out to as facilitator. However, it could take time to get quotes from the consultants but will start the outreach immediately. Vice Mayor likes the outside-facilitator led approach besides team building compared to staff-led workshop.

Saturday dates for workshop was discussed between Subcommittee members and staff. Suggested dates range from October 21st and no later than November 4th. Mr Fuentes mentioned that October date is a little bit too soon for consideration. Recording Secretary Currie was asked to poll the City Council of their availability for a Saturday, November 4, from 9:00 am to 4:00 pm workshop.

Councilmember Nuñez asked staff if there is a budget calendar. Ms Corpus responded yes and handed out the 2017-2018 Budget Timeline. The Councilmember asked what would go onto the November agenda; and what the allowable budget is or is the budget dictated by other factors. Ms Corpus responded that it depends on Council's projects and other departments know what the community needs and try to incorporate those in the respective department's budget. Councilmember Nuñez said that his analogy, coming from a big school district, is that there's a dollar amount associated for books; another dollar amount for other things and so forth. Ms Corpus replied that as a government body, we are limited to what we could use the funds for. As an example, the Hetch Hetchy funds are used for right of way projects otherwise we are pretty much using general fund. Councilmember Nuñez said that it would be easier for the new elected officials (including himself) to be shown a list of funds/budget that we cannot touch/use for something else. He added a list of high priority projects from the community.

The subcommittee talked about projections; Director Fuentes said that it would be a little too early to provide projections for a December meeting. Assistant Director suggested that the Council and staff could discuss ideas as to what the City could do with potential surplus in the November workshop. Vice Mayor asked for other ways of gathering community input compared to the traditional community meetings. Mr Fuentes showed them the Palo Alto website as an example of getting polls from the community, but he explained that Palo Alto contracts this out to an outside vendor (Peak Democracy). Chief Pangelinan said using technology depends on the situation especially the cost of using an outside provider. Vice

Mayor asked if staff knows how much it costs. Recording Secretary replied that it is based on population (per the IS Director). Vice Mayor suggested to ask IS Director if we could do this in-house and for Mr Fuentes to come back with a plan. The Councilmember said that we need more than one vehicle to gather community input; we also need to define community (residents, businesses, and staff). Ms Corpus asked the Councilmember how the Board of Directors (in the School District) got staff input. Councilmember Nuñez responded that the staffs discuss costs and programs during a staff development day and present the figures to their supervisors. The supervisors then present to the executive level which then get presented to the Board. This way the front line staff has their input. Ms Corpus said that what she hears is for each City department to have staff development for a workshop then present to the department heads level; the Councilmember concurred adding that each staff should have an input and contact service clubs (like Rotary) for information as well as looking back at the City's current strategic plan.

Vice Mayor commented that this is the time to start a new budget process otherwise we will be using the same process as last year. Councilmember suggested to the Director of Finance to look into creating a NextDoor account primarily for Finance Department's use for posting and control in order to gather information/input for the budget process (like what Recreation Department has, which is related to recreation services and general city notices.)

The Subcommittee is asking staff to come back with a new budget process incorporating the strategic plan; increasing the community input with outreach program to bring back to Council. With this information, staff can adjust a new budget calendar for the upcoming fiscal year planning. She also added Mr Fuentes' suggestion of providing monthly update to Council on budget projects and process of projections – a way of keeping the Council in the loop all the time. Mr Fuentes said that his idea is to provide Council a monthly update of process, projections, key programs progress, and what each department is requesting. Councilmember likes this idea. Staff brings to City Council on September 19 information on facilitator to be used for the workshop. Then, when the Mayor comes back from his military leave, we could discuss about potential subcommittee meeting dates or go ahead to let the Councilmember continue as the second member of the subcommittee.

VII. Other Business – None

VIII. Next Meeting – as needed

IX. Adjournment – Motion was made by Vice Mayor Grilli and seconded by Councilmember Nuñez to adjourn the meeting at 6:30pm.