



FINANCIAL COMMISSION MEETING MINUTES

5:30 P.M., May 18, 2009

The Neutra House
181 Hillview Ave, Los Altos, California 94022

Call to Order

The meeting was called to order at 5:35 P.M.

Roll Call

Commission members present: Chairperson Frank Emery, David Byrne John Dixon, Alan Hubbard, Donald Korn, Paul Van Buren

Commission members absent: Vice-Chairperson Kevin Thompson – Excused with prior notice

Staff Present: Doug Schmitz, Russell Morreale

Pledge of Allegiance

The pledge was not called for

Public Comment

No members of the public attended.

Consent Items:

- Minutes of April 20th were approved unanimously without exception as moved by Commissioner Byrne and seconded by Commissioner Korn. The Joint minutes of April 28th will be forwarded to City Council for approval at their next regular meeting.

Discussion

1. Review of May 19th Operating Budget Presentation

Staff Liaison, Morreale informed committee members of the status of the City budget as a precursor to the delivery of the provisional plan to City Council on the 19th of May. Morreale presented highlights including the delivery of a balanced General Fund which was accomplished through a reduction in costs commensurate with a 5% decline in

revenues from year-to-year. The budget achieved cost reductions through the deferral of seven city vacant positions, a postponement of equipment purchases, the early year deferral of capital projects, and general cost trimming citywide. Morreale indicated that the cuts, although not painless, were necessary. Furthermore, this budget proactively recommends the strengthening of fiscal reserves through the use of current year savings, 09-10 savings resulting from the pay-down of PERS liabilities, and a use of capital project savings. These reserve increases resulted from a strategic move to offset the potential of any State revenue takeaways for FY 09-10.

2. Update on the FY 2009-2010 Capital Project Budget and Plan

Liaison Morreale spoke to the FY 09-10 Capital Improvement Program on behalf of Assistant City manager, James Walgren. Morreale advised that staff would be recommending a three year plan reflective of the loss of General Fund contributions as projected within financial projections. The three year plan descriptions were provided as a basis for discussion. The commissioners discussed the need to define their exact role in the CIP process in upcoming years and Council's expectations in that area.

3. Discuss Investment Advisor RFP Process & Set Direction

Staff Liaison, Russell Morreale thanked the commission for their work in getting approval from City Council to proceed with an RFP. Commissioners requested the opportunity to comment on the draft RFP before its final review at the subcommittee level. Morreale was directed to coordinate individual responses from the various committee members and then the RFP final review and release

4. Review, Discussion & Prioritization Work Plan Items

Commissioner Hubbard moved that this item be continued to the next meeting and Commissioner Van Buren seconded. All agreed and the motion passed unanimously.

Adjournment

The meeting was adjourned at 6:45 P.M.

Respectfully Submitted,

Russell J. Morreale
Staff Liaison to the Financial Commission