



## **FINANCIAL COMMISSION MEETING AGENDA**

**6:00 PM - Monday, April 21, 2025**

***Community Center- 97 Hillview Ave, Los Altos, CA  
94022***

**PARTICIPATION:** Members of the public may participate by being present at the Los Altos Community Center Apricot Room located at 97 Hillview Avenue Los Altos, CA 94022 during the meeting. Public comment is accepted in person at the physical meeting location, or via email to [financialcommissionmeeting@losaltosca.gov](mailto:financialcommissionmeeting@losaltosca.gov)

**REMOTE MEETING OBSERVATION:** Members of the public may view the meeting via the link below but will not be permitted to provide public comment via Zoom. Public comment will be taken in- person, and members of the public may provide written public comment by following the instructions below.

Telephone: 1-669-444-9171 | Zoom Webinar ID: 994 8675 8600 | Passcode: 272523

<https://losaltosca-gov.zoom.us/j/99486758600?pwd=idcMg5feX35j1K9ncTjL5lPGpm8nTT.1>

**SUBMIT WRITTEN COMMENTS:** Verbal comments can be made in-person at the public hearing or submitted in writing prior to the meeting. Written comments can be mailed or delivered in person to the City Clerk's Office or emailed to [financialcommissionmeeting@losaltosca.gov](mailto:financialcommissionmeeting@losaltosca.gov)

Correspondence must be received by 2 PM on the day of the meeting to ensure distribution prior to the meeting. Comments provided after 2 PM will be distributed the following day and included with public comment in the packet.

### **ESTABLISH QUORUM**

### **PLEDGE OF ALLEGIANCE**

### **PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA**

Members of the audience may bring to the Commission's attention any item that is not on the agenda. Please complete a "Request to Speak" form and submit it to the Staff Liaison. Speakers are generally given two or three minutes, at the discretion of the Chair. Please be advised that, by law, the Commission is unable to discuss or take action on issues presented during the Public Comment Period. According to State Law (also known as "the Brown Act") items must first be noticed on the agenda before any discussion or action.

### **ITEMS FOR CONSIDERATION/ACTION**

1. Commission Minutes: Approve the minutes of the February 10, 2025 Financial Commission meeting

2. Draft Fiscal Year 2025/26 Capital Improvement and Major Maintenance Program: Review the draft Fiscal Year 2025/26 Capital Improvement and Major Maintenance Program
3. Commission Work Plan: Review and update the Commission Work Plan
4. IT Infrastructure and Cyber Security: This memo is informational in nature and no action is recommended

## COMMISSIONERS' REPORTS AND COMMENTS

## POTENTIAL FUTURE AGENDA ITEMS

## ADJOURNMENT

### SPECIAL NOTICES TO PUBLIC

In compliance with the Americans with Disabilities Act, the City of Los Altos will make reasonable arrangements to ensure accessibility to this meeting. If you need special assistance to participate in this meeting, please contact the City Clerk at least 48 hours prior to the meeting at (650) 947-2720.

Agendas, Staff Reports and some associated documents for Financial Commission items may be viewed on the Internet at <http://www.losaltosca.gov/meetings>.

If you wish to provide written materials, please provide the Commission Staff Liaison with **10 copies** of any document that you would like to submit to the Commissioners in order for it to become part of the public record.

For other questions regarding the meeting proceedings, please contact the City Clerk at (650) 947-2720.

**MINUTES OF THE MEETING OF THE FINANCIAL COMMISSION OF  
THE CITY OF LOS ALTOS, HELD ON MONDAY, FEBRUARY 10, 2025,  
AT 6:00 P.M. HELD AT 97 HILLVIEW AVENUE, LOS ALTOS,  
CALIFORNIA 94022**

**ROLL CALL**

PRESENT: Chair Ottoes, Vice Chair Richmond, Commissioners Claras, Fowler, Jain, Zhang

ABSENT: None

**PLEDGE OF ALLEGIANCE**

Chair Ottoes led the Pledge of Allegiance.

**PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA**

None

**ITEMS FOR CONSIDERATION/ACTION**

1. Commission minutes: Approve the minutes of the January 27, 2025 Financial Commission meeting

Action: Upon a motion by Chair Ottoes, seconded by Commissioner Claras, the Commission unanimously approved the minutes of the January 27, 2025 Financial Commission meeting.

2. Preliminary audit results: Receive the draft FY 2023/24 Annual Comprehensive Financial Report

Ahmed Badawi of Badawi & Associates presented the results of the FY 2023/24 financial audit, the FY 2023/24 Annual Comprehensive Financial Report and answered Commission questions.

3. Investment Policy and Quarterly Investment Reports: Receive the Quarterly Investment Reports for quarters ended September 30, 2024 and December 31, 2024; and review the City of Los Altos Investment Policy and recommend changes as needed

Staff introduced the item and John Grady and Bob Shull of Public Trust Advisors answered Commission questions.

The Commission deferred to Public Trust Advisors to recommend any changes to the Investment Policy.

4. Fiscal Year 2024/25 Mid-Year Budget Adjustments: Review the Fiscal Year 2024/25 Mid-Year Budget Adjustments

Staff presented the draft mid-year budget adjustments.

5. City of Los Altos PERS Reserve: Discuss the use of funds from the PERS Reserve to prefund the City's Unfunded Accrued Liability, determine an ideal funding ratio for the City's pension obligations and discuss additional options to further plan for payment of the City's pension obligation

Staff introduced the item.

Direction: The Commission generally directed that the City strive to achieve an 80% funding ratio for pension obligations over five years and then seek to establish a Section 115 Trust to further offset pension obligations. This strategy is to be aspirational in nature as funds are available.

6. Key Performance Indicators Subcommittee: Receive an update from the Key Performance Indicators Subcommittee and provide direction as needed

The members of the subcommittee presented the item.

Action: Upon a motion by Commissioner Claras, seconded by Commissioner Jain, the Commission unanimously recommended inclusion of key performance indicators as part of the FY 2025/26 budget and requested an agenda item in April 2025 to discuss further.

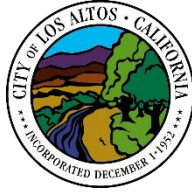
7. Commission Work Plan: Review and update the Commission Work Plan and provide direction for the discussion with City Council scheduled for February 25, 2025

The Commission reviewed the Work Plan.

## **POTENTIAL FUTURE AGENDA ITEMS**

## **ADJOURNMENT**

Chair Ottoes adjourned the meeting at 8:34 p.m.



**TO:** Financial Commission

**FROM:** Jon Maginot, Staff Liaison

**SUBJECT:** Draft Fiscal Year 2025/26 Capital Improvement and Major Maintenance Program

**RECOMMENDATION:**

Review the draft Fiscal Year 2025/26 Capital Improvement and Major Maintenance Program

---

**BACKGROUND**

The City of Los Altos Capital Improvement and Major Maintenance Program (CIMMP) identifies and provides funds for capital and maintenance projects. These projects address vital infrastructure and facility needs throughout the City.

The draft Fiscal Year 2025/26 CIMMP has been prepared based upon a number of variables including adopted master plans, Council priorities and identified critical maintenance needs. The FY 2025/26 CIMMP will be presented to the City Council for adoption as part of the overall FY 2025/26 budget process.

**Attachments**

1. Draft Fiscal Year 2025/26 Capital Improvement and Major Maintenance Program

# FY2025-2026 Capital Improvement and Major Maintenance Program

Agenda Item 2.

Project #	Project Name	Project Status	Previous Years' Spending*	FY25 Budget	Rollover	FY25-26 New Funding	FY25-26 Total Budget	FY26 Funding Source
CD-01006	Police Records Management & Dispatch System	Ongoing	-	247,000	-	247,000	247,000	Equipment Replacement Fund
CD-01008	IT Initiatives	Ongoing	4,477,840	200,000	-	400,000	400,000	Technology Fund
CD-01012	Storm Drain Improvement	Ongoing	2,496,305	250,000	-	175,000	175,000	Capital Improvement Plan Fund
CD-01021	Chamber AV Equipment Upgrade	Ongoing	2,050,577	50,000	50,000	-	50,000	PEG Fund
CD-01024	General Plan	Ongoing	123,120	339,000	250,105	250,000	500,105	Capital Improvement Plan Fund
CD-01025	Downtown Lighting Improvements	Ongoing	99,156	250,000	-	150,000	150,000	Downtown Parking Fund
CD-01029	Downtown Bicycle Parking Installation	Ongoing	317	50,000	50,000	-	50,000	Grants/Donation
CF-01004	Halsey House Rehabilitation	Ongoing	281,335	210,000	157,393	30,000	187,393	Capital Improvement Plan Fund
CF-01006	999 Fremont	Ongoing	21,500	110,000	40,500	100,000	140,500	Capital Improvement Plan Fund
CF-01009	Grant & Shoup pathway	Ongoing	58,120	30,000	-	285,000	285,000	In-Lieu Park
CF-01021	Emergency Operations Center (EOC)	Ongoing	2,991,680	68,000	-	600,000	600,000	In-Lieu Park
CF-01032	Hillview/McKenzie Dog Parks	Ongoing	220,612	400,000	248,312	942,688	1,191,000	In-Lieu Park
CF-01034	Grant Park Facility (Electrical, Hot Water, & HVAC)	Ongoing	1,046,550	1,148,000	117,020	-	117,020	In-Lieu Park
CF-01036	New Financial System	Ongoing	673,349	755,000	190,000	70,000	260,000	Technology Fund
CF-01041	Hillview Fitness Equipment	Ongoing	-	145,000	145,000	-	145,000	In-Lieu Park
CF-01047	Police Department Building Security Upgrades	Ongoing	3,268	100,000	-	75,000	75,000	Capital Improvement Plan Fund
CF-01049	Caretaker House Demolition	Ongoing	18,484	402,000	330,000	-	330,000	In-Lieu Park
CF-01057	Downtown Parking lot resurfacing	Ongoing	271,322	-	-	728,678	728,678	Capital Improvement Plan Fund
				750,000	478,678	271,322	750,000	Downtown Parking Fund

# FY2025-2026 Capital Improvement and Major Maintenance Program Agenda Item 2.

Project #	Project Name	Project Status	Previous Years' Spending*	FY25 Budget	Rollover	FY25-26 New Funding	FY25-26 Total Budget	FY26 Funding Source
LI-01001	Library Construction	Ongoing	132,628	291,782	55,891	900,000	955,891	Grants/Donation
TS-01001	Annual Street Resurfacing	Ongoing	5,453,242	2,171,491	1,217,586	1,302,905	2,520,491	Capital Improvement Plan Fund
				-	-	770,273	770,273	Gas Tax
				904,788	507,327	448,951	956,278	Measure B fund
				542,873	304,396	246,818	551,214	Road Maintenance and Rehabilitation
TS-01003	Annual Street Striping	Ongoing	722,233	294,600	-	150,000	150,000	Gas Tax
				196,400	-	100,000	100,000	Vehicle Registration Fee
TS-01004	Annual Street Slurry Seal	Ongoing	2,365,801	360,360	126,338	193,984	320,322	Capital Improvement Plan Fund
				617,760	216,580	374,064	590,644	Gas Tax
				34,320	12,032	7,968	20,000	Measure B fund
				703,560	246,660	393,984	640,644	Vehicle Registration Fee
TS-01006	Annual Traffic Sign Replacement	Ongoing	217,839	300,000	50,000	-	50,000	Road Maintenance and Rehabilitation
TS-01055	Fremont Ave Pedestrian Bridge Rehabilitation	Ongoing	249,590	244,000	152,826	315,271	468,098	Capital Improvement Plan Fund
TS-01057	Maintenance and Replacement of Various Traffic and Pedestrian Systems	Ongoing	150,130	98,130	-	120,000	120,000	Capital Improvement Plan Fund
				50,000	-	50,000	50,000	Measure B fund
				-	-	200,000	200,000	Road Maintenance and Rehabilitation
TS-01058	Intersection Access Barrier Removal	Ongoing	8,848	-	129,734	-	129,734	TDA Article III Grant
TS-01062	San Antonio Road Complete Street Project	Ongoing	-	1,120,000	-	-	1,120,000	OBAG
				283,000	1,403,000	-	283,000	Traffic Impact Fee

# FY2025-2026 Capital Improvement and Major Maintenance Program

Agenda Item 2.

Project #	Project Name	Project Status	Previous Years' Spending*	FY25 Budget	Rollover	FY25-26 New Funding	FY25-26 Total Budget	FY26 Funding Source
WW-01001	Annual Sewer System Repair Program	Ongoing	7,474,790	-	-	200,000	200,000	Sewer Fund
WW-01002	Annual Structural Reach Replacement	Ongoing	9,514,340	1,080,000	327,005	225,000	552,005	Sewer Fund
WW-01003	Annual Root Foaming	Ongoing	1,427,504	150,000	150,000	50,000	200,000	Sewer Fund
WW-01005	Annual CIPP Corrosion Replacement	Ongoing	2,425,325	-	-	200,000	200,000	Sewer Fund
WW-01006	Annual Fats, Oils, Grease Program (FOG)	Ongoing	825,293	60,000	8,000	52,000	60,000	Sewer Fund
WW-01009	Sewer System Management Plan Update	Ongoing	159,384	75,000	73,771	-	73,771	Sewer Fund
WW-01011	Sanitary Sewer Video Inspection	Ongoing	1,368,475	440,000	440,000	-	440,000	Sewer Fund
WW-01012	Adobe Creek Sewer Main Replacement	Ongoing	906,798	250,000	241,961	250,000	491,961	Sewer Fund
WW-01013	Document Scanning	Ongoing	99,000	-	-	300,000	300,000	Sewer Fund
CD-01018	Downtown Lighting Cabinet Replacement	New	-	-	-	200,000	200,000	Capital Improvement Plan Fund
CD-01030	Downtown Park Space with parking	New	-	500,000	400,000	1,313,500	1,713,500	In-Lieu Park
CD-01031	Downtown EV charging	New	-	500,000	-	500,000	500,000	Grants/Donation
CF-01011	City Hall Emergency Back-up Power Generator	New	-	140,000	-	420,000	420,000	Equipment Replacement Fund
CF-01035	Rebuild Grant Park Basketball Court	New	-	-	-	265,000	265,000	In-Lieu Park
CF-01038	Shoup Park Playground	New	-	242,000	-	620,000	620,000	In-Lieu Park
CF-01039	Grant Playground	New	-	-	-	620,000	620,000	In-Lieu Park
CF-01043	San Antonio Club Upgrades	New	-	-	-	85,000	85,000	In-Lieu Park



# FY2025-2026 Capital Improvement and Major Maintenance Program Agenda Item 2.

Project #	Project Name	Project Status	Previous Years' Spending*	FY25 Budget	Rollover	FY25-26 New Funding	FY25-26 Total Budget	FY26 Funding Source
CF-01056	ALMOND FIRE STATION REROOFING	New	-	250,000	250,000	-	250,000	Equipment Replacement Fund
TS-01064	Cristo Rey Guard Rail Repair Project	New	-	371,000	371,000	-	371,000	Capital Improvement Plan Fund
TS-XXXX1	Storm Preparation, emergency storm response and post storm clean up	New	-	-	-	80,000	80,000	Capital Improvement Plan Fund
TS-XXXX2	City-Owned Sidewalk Assessment	New	-	-	-	50,000	50,000	Capital Improvement Plan Fund
CF-XXXX1	Civic Center Parking	New	-	-	-	200,000	200,000	Capital Improvement Plan Fund
			-	-	-	50,000	50,000	In-Lieu Park
CF-XXXX3	History Museum Roof Replacement	New	-	-	-	175,000	175,000	Equipment Replacement Fund
CF-XXXX4	Bus Barn Theatre HVAC unit replaceent	New	-	-	-	45,000	45,000	Equipment Replacement Fund
CF-XXXX5	PD Mini Split systems	New	-	-	-	15,000	15,000	Equipment Replacement Fund
CF-XXXX6	Fire station improvements	New	-	-	-	214,000	214,000	Equipment Replacement Fund
CF-XXXX7	Grant Park Fence Replacement	New	-	-	-	65,000	65,000	In-Lieu Park
CF-XXXX8	Grant Park Facility Solar and Battery Storage Installation	New	-	-	-	175,000	175,000	In-Lieu Park
CF-XXXX9	Community Center Café	New	-	-	-	165,000	165,000	In-Lieu Park
CD-XXXX1	Woodland Library Patio	New	-	-	-	150,000	30,000	Capital Improvement Plan Fund
			-	-	-	-	120,000	Grants/Donation
Grand Total			48,334,754	17,775,064	8,741,117	16,583,405	25,324,522	

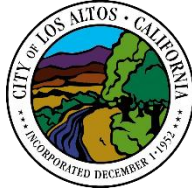
\*As of 4/10/2025

**Draft Financial Commission 2025/26 Work Plan**

Goal	Projects	Assignments	Frequency	Target Date(s)	Status
<b>Recurring Goals</b>					
#1	Investment Performance	Review Investment Performance	Quarterly	Ended Mar 2025 – May 19, 2025 Ended Jun 2025 – September 15, 2025 Ended Sept 2025 – November 17, 2025	
#2	Operating Budget	Current year Mid- Year Review and Annual Budget Review for the next fiscal year	Annually	FY25 Mid- Year Review – February 10, 2025 FY26 Annual Budget – May 19, 2025	Completed
#3	Financial Communication_ New Financial System Progress	Update on the new Financial System (Tyler Munis) Implementation process.	Quarterly or as needed	February 2025 May 2025 – May 19, 2025	Completed
#4	Annual Audit for Current Fiscal Year (FY25)	Review the Audit planning and priorities with auditors.	Annually	Audit Premeeting – May 19, 2025	
#5	Annual Comprehensive Financial Report For FY24	Review draft ACFR	Annually	ACFR draft – February 10, 2025	Completed
#6	PERS Unfunded Liability	Evaluate PERS Unfunded Liability; re-evaluate prepay only or investment plan	Annually	February 10, 2025	In progress
#7	Five- Year Capital Improvement and Major Maintenance Program Budget	Review Capital Spending	Annually	April 21, 2025	
#8	Five- Year Capital Improvement and Major Maintenance Program Budget	Annual Budget Review for the next fiscal year (FY26), focus on the method of project selection and cost estimation	Annually	FY26 Project review – May/June 2025	
#9	Financial Policies	Review/update City's Financial Policy	Annually	April/ May 2025	

Financial Commission 2025/2026 Work Plan – **Updated for April 21, 2025**

#10	Investment Policy	Review/update City's Investment Policy	Annually	February/March 2025	Agenda Item 3. Completed
#11	Cross Commission Collaboration	Finance Commission responds to requests from other commissions	Ad hoc	As needed	
<b>Non-recurring Goals</b>					
#12	Key Performance Indicators	Develop list of key performance indicators to assist in monitoring City's financials	Ad Hoc		



**TO:** Financial Commission  
**FROM:** Jon Maginot, Staff Liaison  
**SUBJECT:** IT Infrastructure and Cyber Security

**RECOMMENDATION:**

This memo is informational in nature and no action is recommended

---

**BACKGROUND**

At the February 10, 2025 Financial Commission meeting, the Commission requested a future agenda item to receive an update on the City's annual IT audit.

The City participates in the Bay Cities Joint Powers Insurance Authority (BCJPIA) Cyber Liability program. As part of the City's membership, the City is required to participate in an annual cyber security audit conducted by cyber security experts. The audit for 2025 was completed in early March. The results of the audit were very positive and reflects the City's diligence in ensuring the security of the City's IT infrastructure. The audit identified five actions for the City to consider including two actions related to requiring strong passwords with multi-factor authentication (MFA), two actions related to developing a disaster recovery plan, and one action related to upgrading older servers. The City already requires strong passwords and MFA in most situations. As well, the City is continually working to upgrade all servers and networks. Finally, the City is developing a disaster recovery plan that will utilize many of the tools the City already has in place.

While it is important that the public is aware that the City's IT infrastructure and networks are secure, it is vital that the details of the City's cybersecurity methods not be made public so as to not unintentionally provide a blueprint for attacking said systems. The City Council has directed staff to ensure the safety of the City's IT efforts and as demonstrated by the results of the cybersecurity audit, the City is on track for securing critical systems and information. In addition, City staff are constantly upgrading and implementing best practices of cyber security.