



**TOWN OF LOS GATOS
FINANCE COMMISSION
AGENDA REPORT**

MEETING DATE: 5/3/2021

**Minutes of the Finance Commission Meeting
April 26, 2021**

The Finance Commission of the Town of Los Gatos conducted a special meeting via teleconference via COVID-10 Shelter in Place Guidelines on Monday, April 26, 2021, at 5:00 p.m.

MEETING CALLED TO ORDER AT 5:00 P.M.

ROLL CALL

Present: Chair Ron Dickel, Vice Chair Kyle Park, Commissioner Stacey Dell, Commissioner Loreen Huddleston, Commissioner Rick Tinsley, Vice Mayor Rob Rennie, and Council Member Matthew Hudes. (All participating remotely.)

Absent: None

Staff Present: Town Manager Laurel Prevetti, Town Attorney Rob Schultz, Assistant Town Manager Arn Andrews, Finance Director Stephen Conway, Parks and Public Works Director Matt Morley, Finance and Budget Manager Gitta Ungvari, Town Engineer WooJae Kim, Transportation and Mobility Manager Ying Smith, Senior Administrative Analyst Bobby Gonzalez, and Human Resources Director Lisa Velasco.

CONSENT ITEM (TO BE ACTED UPON BY A SINGLE MOTION)

1. Approve Minutes of the April 19, 2021 Finance Commission Meeting

MOTION: Motion by Commissioner Loreen Huddleston to approve consent item. **Seconded** by Vice Chair Kyle Park.

VOTE: Motion passed unanimously.

VERBAL COMMUNICATIONS

No one spoke.

OTHER BUSINESS

2. Discussion of the Proposed FY 2021/22 Operating and Capital Budgets.

Parks and Public Works Director Matt Morley presented the Capital Improvement Program development process and the summary of the FY 2021/22 Capital Program. Commissioners asked questions regarding capital budget development, available capital funding sources, and processes. In addition, staff presented answers to questions raised by the Finance Commissioners during their individual review of the documents. The Commission acknowledged that there is no dedicated ongoing capital source.

Opened Public Comment.

Rob Stump

- Commented that the Town has many priorities and asked the Finance Commission to recommend to the Town Council to allocate an additional \$250,000 for fuel reduction from the Winchester property sale proceeds.

Catherine Somers

- Commented that ARPA funding should be used for destination marketing to help the hotel industry recover and asked what the Town would have cut if there was no ARPA funding.

Closed Public Comment.

MOTION: Motion by **Commissioner Rick Tinsley** to recommend to Council: (a) the allocation of the Surplus Property Reserve (Winchester property sale proceeds of \$1.2 M) to the Capital/Special Project Reserve for capital budgeting purposes as determined by the Town Council's priorities, and (b) the allocation of the accumulated Measure G funds (\$2M) for capital spending. **Seconded by Chair Ron Dickel.**

The Commission discussed the motion.

RESTATED MOTION: Motion by **Commissioner Rick Tinsley** to recommend to Council the allocation of the Surplus Property Reserve (Winchester property sale proceeds) to the Capital/Special Project Reserve for capital budgeting purposes as determined by the Town Council's priorities. **Seconded by Chair Ron Dickel.**

VOTE: Motion passed unanimously.

MOTION: **Motion by Commissioner Rick Tinsley** to recommend to Council the allocation of the accumulated Measure G funds through June 30, 2021 in the Measure G Reserve (\$2 million) to the Capital/Special Project Reserve for capital budgeting purposes as determined by the Town Council's priorities. **Seconded by Chair Ron Dickel.**

The Commission discussed the motion.

RESTATED MOTION: **Motion by Commissioner Rick Tinsley** to recommend to Council the allocation of the accumulated Measure G funds through June 30, 2020 in the Measure G Reserve (\$1.2 million) to the General Fund Appropriated Reserve (GFAR) for capital budgeting purposes as determined by the Town Council's priorities. **Seconded by Chair Ron Dickel.**

VOTE: **Motion passed 4 to 1. Commissioner Loreen Huddleston voted no.**

Commission members agreed to continue the discussion of Measure G allocations for FY 2020/21, FY 2021/22, and the remainder of the Five-year Forecast. In addition, the Commission requested operating budget sensitivity analysis regarding major revenues and salaries.

ADJOURNMENT:

The meeting adjourned at 7:17 p.m.

This is to certify that the foregoing is a true and correct copy of the minutes of the April 26, 2021 meeting as approved by the Finance Commission.

/s/ Gitta Ungvari, Finance and Budget Manager