



FINANCE COMMITTEE ACTION MINUTES

Special Meeting
December 15, 2020

The Finance Committee of the City of Palo Alto met on this date in the Community Meeting Room at 6:01 P.M.

Present: DuBois; Kniss arrived at 6:28 P.M., Tanaka

Absent:

Agenda Items

5. First Quarter Fiscal Year 2021 Financial Report.

NO ACTION TAKEN

1. Review and Recommend to the City Council a Fire Department Ambulance Subscription Program: 1) Adopt Ordinance to Establish Program and Fees; and 2) Approval of a Budget Amendment in the General Fund.

MOTION: Council Member Kniss moved, seconded by Vice Mayor DuBois to:

- A. Recommend that City Council approve the Program and adopt the recommended Program fee level(s);
- B. Recommend that City Council adopt an Ordinance amending the Fiscal Year 2021 Municipal Fee Schedule;
- C. Recommend that City Council make budget amendments as necessary to begin and maintain this program; and
- D. Recommend that Staff present marketing materials to the City Council.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion, Part D, "a financial analysis and a distribution analysis".

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MOTION AS AMENDED: Council Member Kniss moved, seconded by Vice Mayor DuBois to:

- A. Recommend that City Council approve the Program and adopt the recommended Program fee level(s);
- B. Recommend that City Council adopt an Ordinance amending the Fiscal Year 2021 Municipal Fee Schedule;
- C. Recommend that City Council make budget amendments as necessary to begin and maintain this program; and
- D. Recommend that Staff present marketing materials, a financial analysis and a distribution analysis to the City Council.

MOTION AS AMENDED PASSED: 3-0

2. Review the Draft Park, Community Center, and Library Development Impact Fee Justification Study; and Recommend That the City Council Consider Adoption of an Ordinance Based on Study Recommendations to Update the City's Park, Community Center, and Library Impact Fee Program.

Council took a break at 8:31 P.M. and returned at 8:40 P.M.

MOTION: Vice Mayor DuBois moved, seconded by Council Member Kniss to recommend that the City Council approve any adjustments to fee levels and direct Staff to return with the necessary Ordinance and fee schedule updates; and present some incremental options for adoption.

MOTION PASSED: 2-1 Tanaka no

3. Review and Recommend That the City Council Accept the Preliminary General Fund Forecast for Fiscal Year (FY) 2022 and FY 2022 Budget Development Guidelines.

MOTION: Council Member Tanaka moved, seconded by Council Member Kniss to recommend the City Council accept the General Fund preliminary forecast for Fiscal Year (FY) 2022 and the FY 2022 annual Budget Development Guiding Principles and direct Staff to use this forecast as the starting point for the initiation of the FY 2022 budget process, with the following revisions:

- A. Direct Staff to create an alternative scenario with a more conservative forecast of the Transient Occupancy Tax and Sales Tax; and

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- B. Direct Staff to hold expenses on infrastructure transfer and salary and benefit levels.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to change the Motion, Part B, to read "Direct Staff to have expenses for 2022 remain the same as 2021 for infrastructure transfer and salary and benefit levels."

MOTION AS AMENDED: Council Member Tanaka moved, seconded by Council Member Kniss to recommend the City Council accept the General Fund preliminary forecast for Fiscal Year (FY) 2022 and the FY 2022 annual Budget Development Guiding Principles and direct Staff to use this forecast as the starting point for the initiation of the FY 2022 budget process, with the following revisions:

- A. Direct Staff to create an alternative scenario with a more conservative forecast of the Transient Occupancy Tax and Sales Tax; and
- B. Direct Staff to have expenses for 2022 remain the same as 2021 for infrastructure transfer and salary and benefit levels.

MOTION SPLIT FOR THE PURPOSE OF VOTING

MOTION INCLUDING PART A PASSED: 3-0

MOTION PART B PASSED: 2-1 DuBois no

- 4. Fiscal Year 2021 Finance Committee Referrals Update and Potential Recommendations to the City Council. **(THIS ITEM WAS CONTINUED TO A DATE UNCERTAIN)**

Adjournment: The meeting was adjourned at 10:18 P.M.