



COUNCIL REPORT

DATE: January 23, 2024

CATEGORY: Consent

DEPT.: Finance and Administrative Services

TITLE: **Modifications to Council Policy A-11,
Financial and Budgetary Policy**

RECOMMENDATION

Adopt a Resolution of the City Council of the City of Mountain View Amending City Council Policy A-11, Financial and Budgetary Policy, to be read in title only, further reading waived (Attachment 1 to the Council report).

BACKGROUND

The City Council Financial and Budgetary Policy A-11 (Policy A-11) was originally adopted on December 13, 1976 and was last modified on June 12, 2018. Policy A-11 establishes City policies related to budget revenues, expenditures, reserves, capital improvements, cash management and investments, accounting, debt management, and risk management.

On December 6, 2023, staff presented the recommended modifications to the Council Finance Committee (CFC). The CFC recommended approval of the modifications.

ANALYSIS

Staff reviewed the existing Policy A-11 and recommends updates as follows:

1. Incorporate the Budget and Accounting procedures from the Adopted Budget documents into this policy.
2. Update the General Fund Earned Lease Revenue Reserve to include what can be funded by the reserve.
3. Update the Workers' Compensation Self-Insurance Reserve and Liability Self-Insurance Reserve to provide specific guidance on the reserve level.

4. Add the Parental Leave Reserve and the Employee Loan Reserve descriptions, per programs approved by the City Council.
5. Updated the Sea Leave Rise Reserve and Landfill Reserve based on the latest studies.

Other clean-up and minor modifications are identified by underline and strikeout in the attached copy of Policy A-11 (Exhibit A to Attachment 1).

FISCAL IMPACT

The only fiscal impact is the modification/clarification of the reserve levels. These updates could require the City to contribute additional funding to meet the reserve requirements, which could reduce available funding for other programs.

ALTERNATIVES

1. Decline to accept the proposed changes.
2. Propose other revisions to the policy.

PUBLIC NOTICING—Agenda posting.

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- Attachments:
1. Resolution
 2. [CFC Memo, December 6, 2023](#)
 3. Council Policy A-11 (redline)