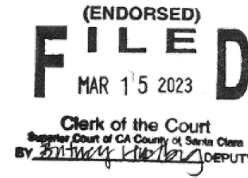




OFFICE OF THE CITY MANAGER

City of Milpitas

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March 14, 2023

Honorable Beth McGowen
Presiding Judge
Santa Clara County Superior Court
191 North First Street
San Jose, CA 95113

via U.S. Mail

SUBJECT: City of Milpitas Response to December 14, 2022 Santa Clara County Civil Grand Jury Final Report “Show Me the Money: Financial Transparency Needed”

Dear Judge McGowen,

The City of Milpitas (“the City”) responds to the December 14, 2022, Grand Jury Final Report titled “Show Me the Money: Financial Transparency Needed” (the “Report”). The City is providing this response pursuant to California Penal Code section 933.

FINDINGS

Finding 5: The City of Milpitas does not produce monthly treasurer’s reports as required by California Government Code section 41004.

City of Milpitas Response: The City of Milpitas partially disagrees with the Civil Grand Jury’s finding that the City does not produce monthly treasurer’s reports as required by California Government Code section 41004. The City of Milpitas’s Finance Director presents information to the City Council, in the form of periodic written reports, which include all of the information required by Government Code section 41004. These reports are the Accounts Payable Claims (disbursement) Report, Overtime Report, City Manager Contract Authorization Report, Fiscal Update Report (including both the General Fund and Enterprise Funds), Claims Report, Investments Report, and Annual Comprehensive Financial Report (ACFR). As Government Code section 41004 does not specify any particular form of treasurer’s report, the City’s existing practices substantially comply with the requirements of Government Code section 41004.

RECOMMENDATIONS

Recommendation 5: The Civil Grand Jury recommends that the City of Milpitas comply with California Government Code section 41004 by producing monthly treasurer’s reports that include monthly disbursements, receipts, and fund balances by March 15, 2023.

City of Milpitas Response: Though City’s existing practice and periodic reports provided to the City Council substantially comply with Government Code section 41004, the City is in the process



of developing a single monthly report consolidating all of the Government Code section 410004 information in one place. The City expects that report to be developed by July of 2023.

This completes the City of Milpitas' response to the Report per section 933.

Sincerely,



Steven G. McHarris
City Manager

