

**City of Emeryville**  
**Finance Advisory Committee Meeting Minutes**  
**December 4, 2014, 5:30pm**

**Members Present:**

William C Reuter, Chairperson  
Jac Asher, Council Member  
Nora Davis, Council Member  
Fran Quittel, Resident

**Staff Present:**

Maria Öberg, Finance Director  
Sabrina Landreth, City Manager  
Michelle Strawson O'Hara, Accounting Supervisor

**Excused:**

Brian Cross, Business Rep  
Michael Costello, Labor Rep  
Benay Curtis-Bauer, Vice Chair

- I. **Call to Order:** The meeting was called to order at 5:30 p.m.
- II. **Public Comments:** None
- III. **Minutes from May 29, 2014 Meeting:** No quorum; approval postponed until next meeting.
- IV. **Agenda Item:**
  - A. **Review of CAFR for Fiscal Year 2013-14** – Audit Partner Bryan Gruber presented the report. He described the audit process and the focus on internal controls and risk assessment during the interim audit in July as well as the testing and review procedures conducted during the final audit in October.
    - Member Fran Quittel questioned the impact of redevelopment dissolution on the CAFR and City Manager Sabrina Landreth explained how the redevelopment losses are cumulative amounts which were reflected in prior year CAFR reports.
    - Member Quittel recommended several edits to the CAFR report including adding “department” to the expenses included in the “Changes in Net Position” report on page 8. Finance staff intends to make changes where appropriate.
    - Member Nora Davis questioned why the unfunded liabilities were not reflected on the Balance Sheet. Auditor Gruber explained that unfunded liabilities are disclosed in the Notes to the financial statements as well as in the Internal Service funds. In accordance with GASB 68, unfunded liabilities will be reflected on the Balance Sheet effective FY2014-15.
    - Member Davis asked about the status of the Child Development Center Audit and whether any progress on prior year findings has been made. Audit Manager J'on Dennis explained that staff turnover continues to be an ongoing issue. Member Davis requested a status report from ECDC at a future Finance Committee meeting.
    - Member Davis noted her concern that Sales Taxes are relatively flat and requested a discussion on alternative revenue sources at a future Finance Committee meeting.
    - Member Jac Asher requested a discussion on various Sales Tax sources and Transient Occupancy Taxes revenue at a future Finance Committee meeting.
    - Committee members recommended moving the FY2013-14 CAFR for approval by Council at the December 16, 2014 meeting.

- B. **Quarterly Financial Update** – Finance Director Maria Öberg presented the first quarter FY2014-15 revenue and expense highlights.
  - Member Davis noted that Utility User’s Tax revenues are diminishing and requested an analysis of this revenue source at a future Finance Committee meeting.
  - Member William Reuter questioned the residual property taxes received to date. Ms. Öberg explained how this was currently in flux based on the status of the ROPS, but that it should increase in the future.
  
- C. **Updated on Alameda County Fire Services Agreement** – Ms. Öberg presented the FY2013-14 Fourth Quarter Report and the FY2014-15 First Quarter Report from Alameda County Fire Department.
  
- D. **Update on Redevelopment Dissolution Actions** – Ms. Öberg provided a verbal overview of the current status.
  
- E. **Update on 2014 Bond Refunding and Bonds currently Outstanding** - Ms. Öberg summarized the Outstanding Long-Term Debt handout.
  
- F. **Infrastructure Financing Districts** - Ms. Öberg provided an overview of the information on the handouts.
  
- V. **Staff Comments:** None
  
- VI. **Committee Member Comments:**
  - A. Members Quittel and Reuter asked about the process to renew their membership with the Finance Committee. Ms. Öberg noted that she would follow-up with the City Clerk’s office to confirm.
  
- VII. **Adjournment:** The meeting was adjourned at 6:37 p.m.