

City of Emeryville
Joint Meeting of Budget & Governance Committee and Budget Advisory Committee Minutes
April 25, 2016, 5:30 p.m.

Members Present:

Budget & Governance Committee

Jac Asher, Acting Chair

Nora Davis, Vice Chair

Staff Present:

Carolyn Lehr, City Manager

Susan Hsieh, Finance Director

Michelle Strawson O'Hara, Finance Supervisor

Maurice Kaufman, Public Works Director

Keely Nelson, Associate Civil Engineer

Budget Advisory Committee

William C. Reuter, Chair

Benay Curtis-Bauer, Vice Chair

Fran Quittel, Resident

Excused:

Brian Cross, Business Rep

Michael Costello, Labor Rep

1. **Roll Call:** The meeting was called to order at 5:31 p.m.
2. **Public Comments:** None
3. **Minutes from December 7, 2015 Meetings:** Approved
4. **Action Items:**
 - 4.1 **Discussion on the Sewer Rate Study-** Public Works Director, Maurice Kaufman introduced Doug Dove from Bartle Wells Associates who conducted the sewer rate study. Mr. Dove explained the study that was conducted and provided recommendations for a rate increase and reserve balances. Vice Chair Nora Davis expressed agreement with the proposed 9% increase over each of the next five years. Acting Chair Jac Asher and Ms. Davis both commented that future studies need to be scheduled on a routine basis; at least every three to five years. Members voted to recommend moving forward with the ballot measure process.
5. **Informational items:**
 - 5.1 **3rd Quarter FY15-16 Financial Update** – Finance Supervisor Michelle Strawson O'Hara discussed the highlights of the 3rd quarter financial report.
 - ◆ Member Fran Quittel requested details on the commercial real estate sale that generated the additional real property transfer tax in December. Note: Ms. Strawson O'Hara has since provided that information.
 - 5.2 **Update on the Alameda County Fire Agreement** – informational only
 - 5.3 **Update on Long-Term Debt Currently Outstanding** – Ms. Quittel requested that future reports include information on total cumulative interest & principal paid to date for each of the bond issues.
 - 5.4 **Presentation of the 2016-17 and 2017-18 General Fund baseline Budget and Reserve Policy** – Finance Director Susan Hsieh presented the highlights of this report.
 - Members noted that "Other Revenues" should exclude the top 10 revenues in future reports; suggested adding footnote for examples of "Other Revenues".
 - Ms. Asher requested a pie chart be used when presenting projected revenues.

- Ms. Quittel requested consistent terminology when referring to the pension debt.
- Ms. Asher requested a chart of projected pension expenses by department.
- Ms. Davis suggested using a bar chart to reflect increases in budgeted expenses.
- Ms. Quittel requested a footnote to explain “Non-Department” expenses.
- Member Curtis-Bauer requested that deficit amounts on charts be reflected in the color red to help distinguish it from surpluses.
- Ms. Davis and Ms. Asher recommended creating a “land banking” reserve as a possible investment of one-time resources to allow for the acquisition of land within Emeryville.
- Ms. Asher discussed reconsidering the reserve policy for use of tax increment revenue as it relates to the Affordable Housing 20% portion.

5.5 Discussion Regarding the City’s Five-Year Capital Improvement Program (CIP) for FY 2017-2021 – Ms. Hsieh and Mr. Kaufman presented the highlights of the CIP proposal. No specific recommendations by members were noted.

6. **Future Agenda Items:** None
7. **Announcements/Member Comments:** None
8. **Adjournment:** The meeting was adjourned at 8:38 p.m.