Chairperson Vranich convened the Financial Advisory Board meeting at 7:00 p.m.

Roll Call: Present: Boardmembers Vranich, Bartke Kronenberg, Patterson and Crump present. 
Absent: None 
Council Liaison Present: Mayor Abelson 
Staff Liaison Present: Lisa Malek-Zadeh

1. Comments from the Public 
Marlene Keller thanked the Mayor and staff for a well-run City and commended the City for its integrity and diligence.

2. Discussion Items 
Available online at http://www.el-cerrito.org/budget.

FAB members discussed the City Manager’s Proposed Fiscal Years 2014-15 &FY 2015-16 Biennial Budget presented to the City Council on June 9, 2014. The discussion included many of the challenges the City faced in the developing the biennial year budget including ongoing discussions with employee labor groups and a proposed ballot measure that could have an impact on the second year of the budget, FY 2015-16. Concern was also expressed by FAB members that the proposed budget did not include measures to increase the reserve to the 6%. It was recommended that the budget book include more information on the recent and ongoing financial strains faced by the City including the inability to increase the reserve to the desired 10% goal.

Action: Moved, seconded (Bartke / Patterson: Ayes – Boardmembers Kronenberg, Vranich, Crump; Noes; None; Absent; None) and carried a motion that the Board approves the Proposed Biennial Budget for fiscal years 2014-15 & 2015 with comments and recommendations as follows:
FAB recommends this budget be adopted by City Council with the following comments:
• Comment staff for presentation and that FAB found the budget to be quite readable and
• Items listed as “Key Objectives” on page 11 should not be planned, but listed as things the staff would like to do.

COMMUNICATION ACCESS INFORMATION
To request a meeting agenda in large print, Braille, or on cassette, or to request a sign language interpreter for the meeting, call Lisa Malek-Zadeh, Staff Liaison at 215-4312 (voice) at least FIVE (5) WORKING DAYS NOTICE PRIOR TO THE MEETING to ensure availability.
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- The statement on page 26, "FAB’s recommendations and revisions are incorporated during the process as appropriate", should be changed to read, “FAB’s recommendations and revisions Board’s should be considered during budget process.”
- There should be a statement, as on page 35, that PERS and health insurance will be going up over $1M.
- Recommend the City Council have a separate discussion, motion and vote on their compensation as done in the last few years per the grand jury recommendation
- There should be a statement (included in the Transmittal Letter) that the budget does not contain sufficient reserves to meet City’s policy and finds that to be unfortunate, but perhaps unavoidable.
- There should be a statement about futures challenges in the Transmittal Letter

3. Discuss Agenda Items for the Next Meeting
   Canceled July meeting and will reconvene August 12
   Memo On Internal Control
   Quarterly Investment Report