



Agenda

**REGULAR MEETING
OF THE
FINANCIAL ADVISORY BOARD**
Tuesday January 12, 2016 7:00 p.m.
El Cerrito City Hall
Hillside Conference Room
10890 San Pablo Avenue
El Cerrito, CA 94530

Roll Call
Convene Meeting

1. Comments from the Public
All persons wishing to speak to items on the agenda. Remarks are typically limited to 3 minutes per person.
2. Council Liaison Update
General comments and or updates on relevant items discussed by City Council.
3. Staff Update
4. Review and approve meeting minutes from December 10, 2015 meeting.
5. New Discussion Items
 - Review the General Fund 5-Year Forecast.
6. Discuss Agenda Items for the Next Meeting
Approve meeting minutes from January 12, 2016

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.



Minutes

**REGULAR MEETING
OF THE
FINANCIAL ADVISORY BOARD**
Tuesday December 10, 2015 7:00 p.m.
El Cerrito City Hall
Hillside Conference Room
10890 San Pablo Avenue
El Cerrito, CA 94530

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

Roll Call: Present: Boardmembers Vranich, Kronenberg, Bartke, Patterson and Crump present.
Present: Staff Liaison, Lisa Malek-Zadeh and Stacey Johnson, Administrative Analyst III Finance Department

1. Comments from the Public

No members of the public present.

2. Council Liaison Update

Council Liaison not present

3. Staff Update

Ms. Malek-Zadeh introduced new staff member, Stacey Johnson who joined the Finance Department as an Administrative Analyst. Her primary responsibilities will be to lead the budget process as well as other business improvement projects. Ms. Johnson introduced herself and a bit about her background. Also informed FAB, that a job offer had been made for the Accounts Receivable Clerk and the new employee would be starting January 4th. Finance is now fully staffed with all authorized positions.

4. Review and approve meeting minutes from October 13, 2015 meeting.

Meeting minutes approved unanimously.

5. New Discussion Items

Ms. Malek-Zadeh provided FAB with a draft budget calendar and walked through the major tasks and deadlines and explained the overall budget process. She explained that the City will once again do another two-year budget for FY 2016-17 & 2017-18 and informed FAB that the City will be implementing position budgeting with this next budget cycle. Also discussed was that the City has resolved many of the long-standing financial issues and that revenues are rebounding. This will make the budget process slightly easier and change focus from cost reductions to looking at budget priorities and potentially funding historically underfunded programs.

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FAB also discussed their role in the budget process and expressed a desire to have a better understanding about the fund restrictions, use of funds etc., which Ms. Malek-Zadeh explained was already included in the budget book. A 5-year forecast for most of the special funds was included in the adopted budget book. It was agreed that FAB provides value through their review of assumptions and the overall document.

6. Discuss Agenda Items for the Next Meeting

Approve meeting minutes from December 10, 2015

Request a member of the Police Department attend the next meeting for general Q &A.

Review the General Fund 5-year Forecast

General Fund Forecast

	2012-13 Actual	2013-14 Actual	2014-15 Adopted	2014-15 Amended	2014-15 Projected Year End	2014-15 Actual	Variance Amended to Actual	Variance Projected to Actual	2015-16 Adopted	2015-16 Amended	2015-16 Actuals July - Sept	2015-16 Projected
Beginning Restricted Fund Balance	\$598,957	\$1,059,976										
Beginning Unassigned Fund Balance	\$2,608,745	\$1,281,566	\$1,270,466	\$1,270,466	\$1,270,466	\$1,270,466	\$0	\$0	\$1,541,773	\$1,541,108		\$1,466,430
General Fund Revenues												
Property Taxes	\$5,564,453	\$6,190,958	\$6,577,256	\$6,702,996	\$6,687,666	\$6,938,037	\$235,041	\$250,371	\$7,010,142	\$7,010,142	\$137,034	\$7,357,025
Sales Taxes	\$5,109,397	\$5,361,233	\$4,605,000	\$4,972,250	\$4,972,250	\$5,055,703	\$83,453	\$83,453	\$6,151,700	\$6,151,700	\$26,475	\$6,151,700
Franchise Taxes	\$1,065,858	\$1,228,307	\$1,393,175	\$1,393,175	\$1,393,175	\$1,376,771	(\$16,404)	(\$16,404)	\$1,434,970	\$1,434,970	\$0	\$1,434,970
Business License Taxes	\$742,229	\$855,923	\$861,995	\$861,995	\$861,995	\$800,882	(\$61,113)	(\$61,113)	\$907,215	\$907,215	\$586,243	\$907,215
Utility Users Taxes	\$3,066,580	\$3,137,017	\$3,677,100	\$3,190,100	\$3,199,757	\$3,106,232	(\$83,868)	(\$93,525)	\$3,308,000	\$3,308,000	\$503,947	\$3,308,000
Other Taxes (TOT, Construction, Other)	\$103,651	\$130,556	\$134,124	\$134,124	\$75,055	\$115,955	(\$18,169)	\$40,899	\$141,000	\$141,000	\$4,325	\$141,000
Taxes	\$15,652,169	\$16,903,994	\$17,248,650	\$17,254,640	\$17,189,898	\$17,393,579	\$138,939	\$203,680	\$18,953,027	\$18,953,027	\$1,258,025	\$19,299,910
Licenses & Permits	\$516,703	\$539,567	\$531,000	\$531,000	\$534,746	\$493,243	(\$37,757)	(\$41,503)	\$623,000	\$623,000	\$145,747	\$623,000
Licenses and Permits	\$516,703	\$539,567	\$531,000	\$531,000	\$534,746	\$493,243	(\$37,757)	(\$41,503)	\$623,000	\$623,000	\$145,747	\$623,000
Traffic Citations and Violations	\$277,222	\$375,554	\$325,000	\$325,000	\$328,415	\$269,602	(\$55,398)	(\$58,814)	\$285,000	\$285,000	\$67,289	\$285,000
Fines & Forfeitures	\$277,222	\$375,554	\$325,000	\$325,000	\$328,415	\$269,602	(\$55,398)	(\$58,814)	\$285,000	\$285,000	\$67,289	\$285,000
Facilities Rentals	\$321,164	\$289,389	\$344,900	\$344,900	\$347,411	\$349,890	\$4,990	\$2,478	\$389,840	\$389,840	\$98,196	\$389,840
Interest	\$115	\$0	\$0	\$0	\$96	\$330	\$330	\$234	\$0	\$0	\$0	\$0
Use of Money & Property	\$321,279	\$289,389	\$344,900	\$344,900	\$347,508	\$350,219	\$5,319	\$2,712	\$389,840	\$389,840	\$98,196	\$389,840
In Lieu Taxes	\$1,742,431	\$1,825,843	\$1,949,818	\$1,949,818	\$1,959,689	\$1,994,902	\$45,084	\$35,213	\$2,008,312	\$2,008,312	\$0	\$2,183,534
State/Other Agency Reimbursements	\$3,284,683	\$3,210,950	\$3,234,144	\$3,478,684	\$3,945,624	\$3,786,612	\$307,928	(\$159,012)	\$3,135,186	\$3,385,186	\$745,674	\$3,385,186
Intergovernmental Revenues	\$5,027,113	\$5,036,793	\$5,183,962	\$5,428,502	\$5,905,313	\$5,781,514	\$353,012	(\$123,799)	\$5,143,498	\$5,393,498	\$745,674	\$5,568,720
Planning/Inspections Fees	\$497,999	\$993,260	\$578,000	\$578,000	\$582,828	\$469,154	(\$108,846)	(\$113,674)	\$620,700	\$620,700	\$281,487	\$620,700
Special Service Fees	\$98,807	\$108,923	\$88,400	\$88,400	\$54,538	\$91,772	\$3,372	\$37,234	\$102,010	\$102,010	\$27,651	\$102,010
Recreation Program Fees	\$3,950,017	\$3,592,224	\$3,655,042	\$3,655,042	\$3,752,819	\$3,617,981	(\$37,061)	(\$134,838)	\$3,729,110	\$3,729,110	\$1,020,355	\$3,729,110
Other Program Fees	\$391,871	\$262,520	\$264,000	\$264,000	\$265,437	\$279,357	\$15,357	\$13,920	\$264,500	\$14,500	\$6,553	\$14,500
Charges For Services	\$4,938,694	\$4,956,927	\$4,585,442	\$4,585,442	\$4,655,622	\$4,458,264	(\$127,178)	(\$197,358)	\$4,716,320	\$4,466,320	\$1,336,045	\$4,466,320
Grants/Contributions	\$33,132	\$29,296	\$43,200	\$43,200	\$49,384	\$40,716	(\$2,484)	(\$8,668)	\$45,200	\$45,200	\$9,325	\$45,200
Other Misc Revenues	\$252,268	\$117,146	\$178,447	\$178,447	\$211,394	\$78,583	(\$99,864)	(\$132,811)	\$134,067	\$244,067	\$144,931	\$244,067
Other Revenues	\$285,400	\$146,442	\$221,647	\$221,647	\$260,778	\$119,299	(\$102,348)	(\$141,479)	\$179,267	\$289,267	\$154,255	\$289,267
Other Financing Sources	\$1,595,300	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Loan Proceeds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Financing Sources	\$1,595,300	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interfund Transfers In	\$752,228	\$804,379	\$900,857	\$900,857	\$900,857	\$900,857	\$0	\$0	\$890,194	\$890,194	\$208,903	\$890,194

General Fund Forecast

	2012-13 Actual	2013-14 Actual	2014-15 Adopted	2014-15 Amended	2014-15 Projected Year End	2014-15 Actual	Variance Amended to Actual	Variance Projected to Actual	2015-16 Adopted	2015-16 Amended	2015-16 Actuals July - Sept	2015-16 Projected
Transfers In	\$752,228	\$804,379	\$900,857	\$900,857	\$900,857	\$900,857	\$0	\$0	\$890,194	\$890,194	\$208,903	\$890,194
Total Revenues	\$29,366,108	\$29,053,045	\$29,341,458	\$29,591,988	\$30,123,137	\$29,766,576	\$174,588	(\$356,561)	\$31,180,146	\$31,290,146	\$4,014,133	\$31,812,251
General Fund Expenditures												
Personnel Costs												
Salaries & Wages Full Time	\$11,380,845	\$11,390,706	\$12,929,323	\$12,929,323	\$11,744,846	\$11,753,565	\$1,175,758	(\$8,720)	\$14,170,589	\$14,170,589	\$2,749,323	\$14,170,589
Salaries & Wages- Part Time	\$1,207,287	\$1,054,479	\$1,171,991	\$1,171,991	\$1,213,138	\$1,194,475	(\$22,484)	\$18,663	\$1,141,334	\$1,141,334	\$454,179	\$1,141,334
Overtime	\$1,672,742	\$1,301,276	\$1,088,912	\$1,088,912	\$1,478,345	\$1,578,832	(\$489,920)	(\$100,486)	\$1,181,424	\$1,181,424	\$398,137	\$1,181,424
Fire- OES Pay	\$214,609	\$223,888	\$168,000	\$392,309	\$392,309	\$392,309	\$0	\$0	\$50,000	\$50,000	\$207,410	\$50,000
Special Pay	\$99,371	\$117,120	\$175,185	\$175,185	\$175,103	\$174,353	\$832	\$750	\$219,488	\$219,488	\$5,485	\$219,488
One-Time Payouts	\$0	\$0	\$0	\$0	\$274,532	\$279,064	(\$279,064)	(\$4,531)	\$0	\$0	\$45,922	\$0
Benefits- PERS/PARS	\$4,525,955	\$4,461,215	\$4,643,471	\$4,643,471	\$3,626,945	\$3,654,787	\$988,684	(\$27,842)	\$4,164,036	\$4,164,036	\$845,407	\$4,164,036
Benefits- Medical & Other	\$3,060,123	\$3,224,299	\$3,602,586	\$3,602,586	\$3,223,059	\$3,235,981	\$366,605	(\$12,922)	\$3,686,855	\$3,686,855	\$740,349	\$3,686,855
Workers Compensation Premium	\$567,277	\$412,138	\$372,367	\$372,367	\$270,974	\$359,664	\$12,703	(\$88,690)	\$420,872	\$420,872	(\$7,531)	\$420,872
Workers Compensation Pay	\$0	\$96,376	\$0	\$0	\$2,944	\$10,957	(\$10,957)	(\$8,013)	\$0	\$0	\$28,073	\$0
Salary Savings	(\$28,480)	(\$25,134)	(\$1,532,693)	(\$1,532,693)	\$0	\$0	\$0	\$0	(\$1,200,652)	(\$1,200,652)	\$0	(\$1,200,652)
Personnel	\$22,699,729	\$22,256,364	\$22,619,142	\$22,843,451	\$22,402,195	\$22,633,987	\$209,464	(\$231,792)	\$23,833,946	\$23,833,946	\$5,466,754	\$23,833,946
Non-Personnel												
Professional/Technical Contracts	\$2,334,924	\$2,610,053	\$2,446,700	\$2,436,700	\$2,798,240	\$2,661,248	(\$224,548)	\$136,993	\$2,454,200	\$2,740,146	\$563,377	\$2,740,146
Travel & Training	\$223,644	\$188,719	\$196,350	\$196,350	\$189,350	\$198,338	(\$1,988)	(\$8,988)	\$209,900	\$209,900	\$16,278	\$209,900
Dues & Subscriptions	\$38,111	\$45,885	\$44,825	\$44,825	\$39,040	\$45,245	(\$420)	(\$6,205)	\$61,575	\$61,575	\$3,986	\$61,575
Printing & Legal Notices	\$43,920	\$49,827	\$61,450	\$61,450	\$73,980	\$62,440	(\$990)	\$11,539	\$61,550	\$61,550	\$1,981	\$61,550
Other Services	\$272,808	\$284,259	\$326,400	\$326,400	\$282,551	\$328,732	(\$2,332)	(\$46,181)	\$331,570	\$351,570	\$143,892	\$351,570
Professional & Technical Services	\$2,913,407	\$3,178,742	\$3,075,725	\$3,065,725	\$3,383,161	\$3,296,004	(\$230,279)	\$87,157	\$3,118,795	\$3,424,741	\$729,514	\$3,424,741
Utilities	\$531,768	\$416,117	\$384,951	\$384,951	\$492,197	\$396,977	(\$12,026)	\$95,220	\$410,927	\$410,927	\$48,337	\$410,927
Maintenance & Repairs Svs	\$502,781	\$470,293	\$634,550	\$670,550	\$666,832	\$668,654	\$1,896	(\$1,822)	\$904,800	\$967,302	\$139,353	\$967,302
Insurance Premiums	\$601,215	\$662,215	\$585,000	\$585,000	\$477,245	\$490,551	\$94,449	(\$13,306)	\$530,000	\$530,000	\$31,625	\$530,000
Purchased Property/Other Services	\$1,635,764	\$1,548,625	\$1,604,501	\$1,640,501	\$1,636,274	\$1,556,181	\$84,320	\$80,092	\$1,845,727	\$1,908,229	\$219,315	\$1,908,229
Office	\$128,826	\$105,184	\$138,900	\$138,900	\$143,797	\$110,774	\$28,126	\$33,023	\$147,550	\$147,550	\$22,590	\$147,550
Operating	\$534,168	\$464,193	\$478,800	\$478,800	\$521,940	\$493,051	(\$14,251)	\$28,889	\$479,600	\$479,600	\$72,273	\$479,600
Office/Vehicle & Other Equipment	\$345,941	\$307,103	\$381,332	\$381,332	\$397,052	\$374,216	\$7,116	\$22,836	\$464,832	\$465,832	\$53,313	\$465,832
Capital Improvements	\$9,509	\$6,150	\$10,000	\$10,000	\$12,031	\$12,728	(\$2,728)	(\$697)	\$10,000	\$10,000	\$0	\$10,000
Supplies	\$1,018,443	\$882,631	\$1,009,032	\$1,009,032	\$1,074,820	\$990,769	\$18,263	\$84,051	\$1,101,982	\$1,102,982	\$148,176	\$1,102,982
Debt Service Payments	\$666,680	\$761,028	\$732,689	\$732,689	\$732,689	\$784,323	(\$51,634)	(\$51,634)	\$727,719	\$727,719	\$0	\$727,719
Other Fees & Expenses	\$110,747	\$369,887	\$97,000	\$97,000	\$97,894	\$120,533	(\$23,533)	(\$22,640)	\$98,100	\$98,100	\$2,705	\$98,100
Transfers Out	\$112,257	\$112,781	\$113,976	\$113,976	\$113,976	\$113,976	\$0	\$0	\$113,976	\$113,976	\$28,494	\$113,976
Financing Costs	\$889,684	\$1,243,696	\$943,665	\$943,665	\$944,559	\$1,018,832	(\$75,167)	(\$74,274)	\$939,795	\$939,795	\$31,199	\$939,795
Total Non-Personnel	\$6,457,298	\$6,853,694	\$6,632,923	\$6,658,923	\$7,038,813	\$6,861,786	(\$202,863)	\$177,027	\$7,006,299	\$7,375,747	\$1,128,204	\$7,375,747

General Fund Forecast

	2012-13 Actual	2013-14 Actual	2014-15 Adopted	2014-15 Amended	2014-15 Projected Year End	2014-15 Actual	Variance Amended to Actual	Variance Projected to Actual	2015-16 Adopted	2015-16 Amended	2015-16 Actuals July - Sept	2015-16 Projected
Total Expenditures	\$29,157,028	\$29,110,059	\$29,252,065	\$29,502,374	\$29,441,008	\$29,495,774	\$6,600	(\$54,765)	\$30,840,245	\$31,209,694	\$6,594,959	\$31,209,694
Transfers Out-Grants	\$0	\$669,599	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transfers Out- CIP	\$1,157,184	\$344,428	\$0	\$74,839	\$74,838	\$74,838	\$1	\$0	\$0	\$0	\$0	\$0
Transfer Outs Restricted Funds	\$1,157,184	\$1,014,027	\$0	\$74,839	\$74,838	\$74,838	\$1	\$0	\$0	\$0	\$0	\$0
Ending Fund Balance/Shortfall	\$2,259,598	\$1,270,501	\$1,270,466	\$1,195,627	\$1,877,756	\$1,466,430	(\$270,803)	\$411,326	\$1,881,674	\$1,621,560		\$2,068,988

Note: A positive number for revenues indicates over budget, positive number for expenses indicates under budget.