

April 24, 2006

To: Honorable Mayor Irma L. Anderson
Members of the City Council

From: Finance, Administrative Services and Economic Development Committee

SUBJECT: SUMMARY
Finance, Administrative Services and Economic Development Committee
Thursday, April 20, 2006, 9:03 a.m.

Attendance: Present: Rogers, and Thurmond
Absent: Butt and Griffin

**FINANCE, ADMINISTRATIVE SERVICES AND ECONOMIC
DEVELOPMENT COMMITTEE**

Review the proposed Council Expenditure Policy to comply with AB 1234

- Councilmember Thurmond requested clarification on what types of expenses are acceptable, i.e. Chamber of Commerce meeting expenses, etc. and asked that best practices policies be gathered from other cities as to what are acceptable expenses for Councilmembers in terms of meetings and events.
- Janet Schneider, City Manager's Office, stated that the Mayor has some expenses that differ from the other Councilmember's expenses that are now incorporated into the revised draft expenditure policy. Certain spending limits were taken out; meal rates were adjusted according to the CPI; cell/fax reimbursement changed from fixed amount to be reimbursed for actual expenses; suggested itemized quarterly expense reports.
- Chair Rogers stated that the cell/fax policy of calculating charges would be a tremendous waste of time for both the staff and City Council.

OUTCOME:

Item will return to the Finance Committee on May 17, 2006 for further discussion.

Review of the budget planning process

- Finance Director, Jim Goins, reported that the 2006-2007 budget process began on November 2005. On May 12, 2006, the departmental budget will be presented to the City Manager. A balanced draft budget will be presented to the City Council on May 19th; May 30th - City Council budget hearings. The proposed final budget will be presented to the City Council for adoption on June 23rd.
- Chair Rogers announced the upcoming dates of the Community Budget meetings.

- Jim Goins, Finance Director announced that the public budget hearings were originally scheduled for May 2nd and May 9th, but are now rescheduled, with the exact dates to be announced at a later date. They will be evening meetings with one will be held in the Bermuda Room at the Richmond Memorial Auditorium and the other at the Senior Center.
- Currently, there is a \$10 million reserve.

Review of current expenditures following mid-year review

- Finance Director, Jim Goins stated that he is not recommending any mid-year adjustments.
- Councilmember Thurmond suggested that the Finance Committee return to reviewing the mid-year report. Jim Goins, Finance Director, committed to provide a monthly expenditure and revenue report to the Finance Committee.

Discussion regarding the role and responsibilities of the Finance Standing Committee

- Jim Goins, Finance Director, stated that the Finance Committee's role should be to help staff achieve financial stability for the City through policy overview, specifically the Debt Policy, Investment Policy; oversee internal audits; review revenue and expenditure reports; review annual financial audits of the City; review capital plans.
- Councilmember Rogers stated that the Finance Committee should have a recurring agenda item pertaining to reviewing methods and ideas for better ways to provide improved and increased services through finding new revenue sources, obtaining organizational efficiencies, and redirecting existing sources of funding.
- Councilmember Thurmond stated that the finance Committee should take an active role in supporting the City's economic development and increase revenues. Requested that at a future Finance Committee meeting, a brief summary of the City's current outstanding receivables and a recommended policy on how to improve it be presented.
- In general, the Finance Committee will discuss items in the amount of \$100,000 or more that have not been budgeted for previously.

OUTCOME:

Forwarded to the City Council meeting on 5/17/06 as a consent calendar item.

Chair Rogers announced that, until further notice, the Finance Committee meetings will be on the 3rd Wednesday of the month at 10 a.m.

The meeting adjourned at 10:38 a.m.