

September 22, 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, September 21, 2006, 9:18 a.m.

**Attendance:** Present: Members Butt, Rogers, and Thurmond  
Absent: Member Griffin

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

**Report by the Finance Director and review of monthly expenditures and revenue**

- Councilmember Thurmond suggested that this topic be on future Finance Committee agendas for further review and oversight.
- Jim Goins, Finance Director, provided an overview. The report includes projection of revenues and expenditures in the next year. The beginning fund balances come from numbers taken from last year. The ending cash balance projected is \$156 million.
- Tracie Lovely, Investment Analyst, Finance Department, stated that expenses are broken down by salaries, costs of retirement benefits, materials & supplies, maintenance expenses, etc.
- Currently, the expenses and revenues are right where they were anticipated.
- Councilmember Butt asked if the approximately \$4.8 million decrease from payments of the Chevron Utility User Tax will be included in the projections. Mr. Goins replied that currently, the reduction in the Utility User Tax is a projection and the City will not know the exact amount until there is a two to three month average performed to get a more accurate number.

**OUTCOME:**

Mr. Goins stated that he can provide the committee with scenarios within two weeks with what would need to be cut based on the \$4.8 million revenue loss projection from the Chevron Utility Users Tax. It has not been possible to obtain information from Chevron to determine what the most recent payment was based on.

## **Consideration of policy for conducting on-going audits of City's finances by the Finance Committee and Councilmembers**

- Councilmember Thurmond stated that he would like the Finance Committee to provide additional oversight and conduct 'spot audits'. Councilmember Butt replied that under the California Public Records Act Request, any Councilmember or member of the Public can request documents.
- The Finance Department holds all the financial information from all City departments and can obtain data simply by coming to the Finance Department and inquiring.
- On a daily basis, a download from the bank is performed pertaining to revenues and expenditures. There is also a bank reconciliation done every 30 days on General Fund, Workers Compensation, and General Liability.
- Mr. Goins suggested that a presentation be given at the next Finance Committee meeting regarding how documentation from all departments is compiled and kept. Councilmember Thurmond asked that more detailed information regarding how the Finance Department can assist in strengthening internal controls and monitoring should be presented at the next Finance Committee meeting.

The meeting adjourned at 9:41 a.m.