

Finance Commission Action Items as Recorded
Meeting of July 16, 2024

Actions Items and how they will be addressed:

Action Item: Provide additional narrative context for revenue line items experiencing significant changes from prior years.

Response: The City Manger's Budget Message is traditionally used to highlight significant revenue and expenditure changes as part of the printed budget. In future budgets, staff will attempt to contextualize significant changes from the previous year's general fund revenues if they can be identified.

Action Item: Schedule a comprehensive fee study and indirect cost allocation plan to rationalize fee structures. Results to be presented to new city manager.

Response: Staff and the City Council have previously discussed commissioning a study to conduct a comprehensive fee study, an indirect cost allocation study and a building impact fee study following the guidelines in the State Government Code and the Municipal Code. Willdan Engineering has been contracted to conduct these studies, having done hundreds of these studies with other local governments throughout California. The Public Works and the Finance Departments will be co-leading this project with a multi-departmental team of staff and will be returning to the City Council soon for final approval of the approach and scope of the project(s).

Action Item: Review revenue projections and consider reductions of \$700,000 or more based on concerns of over-budgeting raised by Commissioner Rossi.

Response: Staff provided a detailed methodology of the general fund revenues to the Commission at this meeting, and after reviewing the comments made by Commissioner Rossi, sees no compelling evidence or argument to adjust or revise any of the projected revenues.

Action Item: Address issues with negative fund balances and reconcile discrepancies in special funds like 214 Rogen Grant and 226 Mission Meridian Garage.

Response: As was discussed with the Finance Commission at their May 30th Meeting and with the City Council at their June 5th Meeting, the City's Auditors, CLA, will be tasked with doing a preliminary look into the approx. six or so negative special funds to assess what the historical issues or problems were/are in creating the negative fund balances.