



Legislation Details (With Text)

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**On agenda:** 3/19/2012      **In control:** City Council

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**Enactment #:**

**Title:** ACCEPT: Finance Committee Meeting Highlights of March 2, 2012

COMMITTEE RECOMMENDATION: Schedule acceptance of the annual report on Emergency Communication system Access Tax (911 Tax) and approval of the annual tax cap adjustment by the Consumer Price Index (CPI)

COMMITTEE RECOMMENDATION: Schedule approval of the composition of a Citizens Oversight Committee for Measure Z related to the Transaction and Use Tax

**Indexes:**

**Code sections:**

**Attachments:** 1. March 2, 2012 Finance Committee Agenda, 2. FC Emergency Communication Access Annual Report 03022012, 3. FC Oversight Committee Measure Z, 4. March 2, 2012 Finance Committee Sign-in Sheet

Date	Ver.	Action By	Action	Result
3/19/2012	1	City Council	Accepted as Submitted	Pass

Finance Committee Meeting Highlights of March 2, 2012

**CITY OF SAN LEANDRO**

**CITY COUNCIL FINANCE COMMITTEE**

**March 2, 2012**  
**8:15am - 9:45am**

**San Leandro City Hall**  
**835 East 14th Street**  
**San Leandro, California**  
**(Sister Cities Gallery)**

**HIGHLIGHTS**

**Committee Members:** Mayor Cassidy, Vice Mayor Gregory, Councilmember Souza

**City Staff Present:** City Manager Zapata, Assistant City Manager Marshall, Interim Finance Director O’Leary, Deputy Finance Director Rodriguez, Interim Police Captain Tudor, Budget and Compliance Manager Perini, Administrative Assistant III Perez

Public Present:           None

The meeting was called to order at 8:15 a.m.

**1. Discussion Regarding Annual Report on Emergency Communication System Access Tax (911 Tax) and Annual Tax Cap Adjustment by the Consumer Price Index.**

Interim Finance Director O’Leary presented the report of the Emergency Communication System Access Tax (911 Tax), as required by Municipal Code, Section 2-18-220. Mr. O’Leary reported revenue of approximately \$1.3 million for the period July 2011 through December 2011; stating that it was on track to the projected amount of \$2.7 million for the fiscal year. Mr. O’Leary provided a summary of the expenditures for the current fiscal year as well as the projected expenditure for 2012-13. There will be a decrease in Police Dispatch operation expenditures in 2012-13 due to the pay-off of the CAD RMS loan this year, offset by a small increase in Fire Dispatch costs. Mr. O’Leary advised the Committee that in May of 2012, staff will present the City Council with a proposed ordinance to increase the rates by the CPI of 2.6% as authorized, along with the other proposed changes to fees in the master fee schedule.

Mayor Cassidy and Councilmember Souza inquired about the rise in Fire Dispatch costs. Councilmember Souza stated that it was her understanding, from a prior report from Alameda County Fire, with more cities joining the pool, costs would be spread throughout. Budget and Compliance Manager Perini stated that the numbers were based on 2010 Actuals and because 2011 Actuals have not been reported, the estimates may appear to be high. Vice Mayor Gregory inquired whether the Police dispatch has considered consolidating with surrounding cities as Alameda County Fire has done. Assistant City Manager Marshall stated that the Chief of Police is consulting with her counterparts on the pros and cons of several areas of shared police services. Mayor Cassidy would like a report on the Chief’s findings.

**Committee Recommendation**

Committee recommended taking report to City Council for approval.

**2. Discussion Regarding Formation of Citizens Oversight Committee Required by the Transaction and Use Tax (Measure Z) Ordinance.**

City Manager Zapata reported to the Finance Committee that based on the ordinance related to Measure Z - Transaction and Use Tax, the City is to form a Citizen Oversight Committee. Mr. Zapata proceeded to present the suggestions by staff related to the composition and scope of work of the Citizen Oversight Committee.

Mr. Zapata stated that prior to appointing members to the Citizen Oversight Committee the scope of responsibility must be defined. In addition to those listed in the staff report, Mr. Zapata recommended the following be discussed as well: frequency of meetings, public information and transparency efforts; and the requirement to prepare a sustainability plan and strategy by a certain date.

Mayor Cassidy focused on the composition of the five open slots and indicated that he would like flexibility when forming the Citizen Oversight Committee. For example, rather than state a title or name of a specific person, use a term such as, “Representative”. The Finance Committee wants to

assure retail businesses and residential and business consumers are properly represented.

After discussion, the Finance Committee agreed on the following five compositions:

- Representative of the San Leandro Chamber of Commerce
- Retail representative from the Downtown Business Association
- Officer from a homeowner or neighborhood association
- City Board or Commission member
- Owner or manager of a business located in San Leandro

Discussion of the Finance Committee turned to the frequency and term. City Manager Zapata stated that staff can provide quarterly updates which can be provided to the Oversight Committee, as well as posted for the public on the Finance Department's webpage. Although it was agreed that at least during the first year, the Oversight Committee may need to meet more than once, it may not be necessary to meet more than that in the future. Mayor Cassidy stated that the meetings should be properly noticed in accordance with the Brown Act for optimum transparency.

The Finance Committee concurred the member term limit should be two 3-year terms.

Mayor Cassidy would like for the City Council to review and approve the composition, frequency, and term limits prior to the next step of appointing the Citizen Oversight Committee. Once approved by the City Council, Mayor Cassidy would like the Finance Committee to further discuss and make recommendations, for which the City Clerk will be able to advertise for applications from approved composition.

### **Committee Recommendation**

Finance Committee recommended taking composition to City Council for approval.

### **3. Update and Continued Discussion Regarding Plan for Refinancing CalPERS Public Safety Side Fund.**

Mr. O'Leary updated the Finance Committee on the Refinancing CalPERS Public Safety Side Fund. In accordance with the calendar Mr. O'Leary presented, the following will take place in March:

March 5, 2012	Printing and Mailing of the Office Statements will begin
March 22, 2012	Bonds will close and proceeds will be available for delivery

Mr. O'Leary reported that the City received an Aa3 rating from Moody's and an A+ rating from Standard and Poor's Rating Services. The City has traditionally received ratings such as these and could not have hoped for anything higher.

### **4. Public Comments**

None

### **5. Committee Member Comments**

None

## 6. Adjourn

The meeting adjourned at 9:24 a.m.