



Legislation Details (With Text)

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Sponsors: David Baum
Finance Director
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Attachments: 1. 2018 Finance Comm 10 Year Forecast 1-30-18 (004)

Date	Ver.	Action By	Action	Result
3/19/2018	1	City Council	Approved as Submitted	Pass

Highlights of the Finance Committee Meeting of January 30, 2018

CITY OF SAN LEANDRO

FINANCE COMMITTEE

January 30, 2018
5:30 - 7:00p.m.

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

HIGHLIGHTS

1. CALL TO ORDER

Mayor Cutter called the meeting to order at 5:30 p.m.

1.A. Attendance

Committee members present: Mayor Cutter, Councilmember Hernandez, Councilmember Lee

City staff present: Assistant City Manager Kay, Finance Director Baum, Budget & Compliance/ Risk Manager Perini

Public present:

1.B. Announcements

None

2. DISCUSSION ITEMS

2.A. 18-051 General Fund Forecast - 10 Years

Assistant City Manager Kay introduced the discussion of the 10 year forecast. The forecast is intended to model how assumptions can impact the City based on different scenarios and use the forecast as a tool to assist with fiscal changes in assumptions and/or policies. As discussed at the City Council Planning Retreat, there is interest in hiring a consultant to work with City staff on this project.

Councilmember Lee stated that he agrees with hiring a consultant to assist with creating a forecast model that can be used for years to come.

Councilmember Hernandez asked if the forecast model would be Excel based or built for the City. Finance Director Baum stated that he has spoken with a couple of consultants and was told by one consultant that a forecast model (20 year) can be built utilizing Microsoft Excel and anyone who is proficient will be able to manipulate the data within the model. The second consultant stated that a “tailor made” forecast table will be built specifically for the City of San Leandro, which resembles the table the City currently uses however would be more robust and have more people refining to allow the table to be used repeatedly. Mr. Baum stated that an RFP (Request for Proposals) would be solicited from various consultants and based on the proposals, a consultant would be chosen.

Mr. Baum provided the Committee with a copy of the presentation that was provided at the City Council Planning Retreat (with a few changes). Mr. Baum explained the revenue, expenditures, debt, and all projections for the upcoming fiscal years. Mr. Baum provided a breakdown of the tax revenue: Transient Occupancy, Business License, Parking Lot, and Cannabis.

To address future budget challenges, Mayor Cutter stated she would not support taking money from the Prioritizing Unfunded Liabilities Liquidation (PULL) account as it was created for meeting post-employment benefit expenses.

Mr. Kay spoke to the City’s reliance on retail and how, over the next 10 years, people will be making purchases over the internet. Councilmember Lee stated that retail will still be valuable for the City of San Leandro in the future.

Mr. Baum stated that he will bring a potential RFP for a consultant to assist with the forecast back to the Finance Committee. Mayor Cutter asked that prior to the RFP going out, the Finance Committee review the scope of services.

Budget and Compliance Manager Perini commented on the current forecast model being used. Mrs. Perini informed the Finance Committee that the model does include many variables, including detailed salary and benefit costs as per the City’s memoranda of understanding with employee groups.

3. PUBLIC COMMENTS

None

4. COMMITTEE MEMBER COMMENTS

None

5. ADJOURN

The meeting was adjourned at 6:27 p.m.