



**FINANCE AND BUDGET COMMISSION
REGULAR MEETING
MINUTES
Monday July 13, 2020**

1. Call to Order & Roll Call

Members Present: *Vice-Chair – Paul Jacobs, Ezra Beeman, Donna Neville, Douglas Buzbee, Ray Salomon, Gurbek Sufi, David Sandino (Alternate)*

Council Liaisons: *Dan Carson, Gloria Partida*

Others Present: *Elena Adair – Finance Director; Pam Day – Financial Services Manager; Kiran Sanghera – Financial Analyst*

Vice Chair Paul Jacobs called the meeting to order at 6:32pm.

2. Approval of Agenda

Salomon moved, seconded by Neville, approval of the agenda. Motion passed by the following vote:

Ayes: Beeman, Buzbee, Jacobs, Neville, Salomon, Sufi, Sandino.

3. Brief Announcements from Staff, Commissioners, and Liaisons

Elena Adair- Fund balance and reissue financial statements to not restate fund balance. The fund balance was correct as of 6/30/19. Auditor's believe it is not at the materiality level to restate. If we reopen, they will need to do additional testing/inquiry from original opinion to when they dual date the opinion.

4. Public Comment

5. Consent Calendar

A. Approval of June 8, 2020 Minutes

Salomon moved, seconded by Beeman, approval of the June 8, 2020 minutes. Motion passed by the following vote:

Ayes: Beeman, Buzbee, Jacobs, Neville, Salomon, Sufi, Sandino.

6. Regular Items

A. Fiscal Analysis of the University Commons Proposal (20 minutes)

Douglas Buzbee provided an overview of the memo the CDSB subcommittee drafted in response to the staff memo. This project is a fiscal positive.

Ray concerned about process. Didn't see excel model.

Public Comment:

Matt Williams- A lot of moving parts in Kellie's Bruton Memo. Would have been good to see before and after. Double counting sales tax?

Move this for a follow thorough discussion for the next FBC meeting.

Joe Dinunzio- we believe this project will bring strategic housing to students and an important part of housing shortage in City. Davis Chamber of Commerce endorse this project.

John Keller- Significant concerns around this project. Overstated revenues in multiple categories. Recommend commission decline to endorse this project.

Catherine Keller-Agree with Matt and John

Gwen Chodur- external vice president. Support of U-Mall.

George Phillips- BrixMor- We were gratified by the work of the subcommittee- Citys model is over conservative. Net positive to the City from 3 million to 7.2 million.

Eileen Samitz- Public didn't get to see the model. Why was that not revealed or the tables that consultants came up with Unfair to public.

Ray moved to have another meeting in one week's time which will allow for a recommendation to be presented to council.

Beeman- second

Nay- Sandino, Neville, Sufi, Buzbee, Jacobs

Ayes Salomon, Beeman

Doug moved to forward subcommittee memo to council and as a committee reiterate that the project is fiscally positive. Seconded by Sufi.

FBC is not opining on project itself

FBC is forwarding to City Council

FBC has concern on several systemic issues on city finance Unfunded liabilities

If unfunded costs are less than 1.58 million dollars then there is net fiscal positive to the City of Davis

Neville friendly amendment: this finding does not serve as an endorsement of this project.

Ayes- Beeman, Buzbee, Neville, Sufi, Sandino, Jacobs

Nay-Salomon

B. Pavement Management Sub-Committee Update

Mayor Partida provided an overview of the Pavement Management Sub-committee discussions. They used the Nichols report as a basis and requested they come back with different inflation rates.

C. Davis Innovation and Sustainability Campus (DISC)

Mayor Partida provided a brief overview of the development agreement for DISC. Roadway impact fees will be used to offset traffic impacts. Affordable housing element is very strong.

D. Subcommittee proposal to pay down OPEB/Pension liability

Sub-committee suggests using excess fund balance in enterprise funds to fund OPEB/Pension liabilities.

The Finance and Budget Commission recommends that staff analyze the ability to use available cash in the Water and Sewer Funds beyond that required by the current reserve policy to pay down the pension and OPEB long-term liability associated with those funds, and to report back to the Commission within 60 days, along with all supporting analysis. Solomon Seconded.

Ayes: Beeman, Buzbee, Neville, Salomon, Sufi, Sandino, Jacobs

E. Election of Chair and Vice Chair

Ray moved to continue with the existing chair and vice chair for one more meeting so the current chair can be present. Seconded by Beeman.

Ayes: Beeman, Buzbee, Neville, Salomon, Sufi, Sandino, Jacobs

7. Commission and Staff Communications

A. Subcommittee Reports

- Public Safety (Commissioners Salomon, Sandino and Weiss)
- Parks, Community Services, Public Works, Capital Improvement (Commissioners Beeman, Sufi and Weiss)
- Administration, Information and Communications (Commissioners Weiss and Jacobs)
- Fund Balance, Debt, Revenues (Commissioners Neville, Salomon and Sufi)
- Community Development, General Plan Update / DPAC (Commissioners Beeman, Buzbee and Sandino)

8. Adjourn

Salomon moved, seconded by Beeman to adjourn the meeting. The meeting adjourned at 8:47 pm.