



**FINANCE AND BUDGET COMMISSION
REGULAR MEETING
MINUTES
Monday January 11, 2021**

1. Call to Order and Roll Call

Chairperson Neville called the meeting to order at 6:30 pm and took attendance by roll call vote, consistent with the requirements for a telephonic (or virtual) meeting.

Members Present: Commissioners Beeman, Buzbee, Jacobs, Neville, Salomon, Sandino, and Sufi.

Council Liaisons Present: Council Member Carson, Council Member Chapman

City Staff Present: Finance Director Adair, Financial Analyst Sanghera, and Accountant II Theresa Borrelli

2. Approval of the Agenda

Commissioner Jacobs moved to approve the agenda and the motion was seconded by Commissioner Sufi. The motion passed by the following vote:

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

3. Brief Announcements from Staff, Commissioners and Liaisons

Council member Carson encouraged the Healthy Davis Together testing program and noted reservations are available.

Finance Director Elena Adair announced Financial Services Manager, Pam Day, will be retiring at the end of January. Adair expressed her gratitude to Pam Day for her years of service in the Finance Department.

4. General Public Comment on Items not on the Agenda

Chairperson Neville called for general public comment. There was no public comment on items not on the agenda.

5. Consent Calendar

- a. Approval of the minutes from the regular commission meeting on December 14, 2020

Chairperson Neville asked for any corrections to the minutes. Commissioners Jacobs, Salomon and Beeman presented various corrections. Commissioner Jacobs expressed concern regarding creation of subcommittee for local content. Commissioner Salomon noted a correction needed in Item 1, Salomon was missing in the commissioners present listing. Commissioners Beeman and Jacobs expressed concerns regarding minute notes detail. Chairperson Neville called for public comment on the minutes. No public comment was made. Chairperson Neville asked for a motion to approve the minutes as amended. The motion to approve was made by Commissioner Salomon and seconded by Commissioner Jacobs.

The vote, by roll call, was as follows:

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

6. Regular items:

- a. Presentation by Irena Asmundson, Chief Economist from the California Department of Finance, on Economic Forecast.

Irena Asmundson provided an overview of the state's population, economic, and revenue outlook from the Governor's 2021-22 Budget. This information is available on the State of California Department of Finance's website. Chairperson Neville called for commissioner questions and Commissioners Beeman, Buzbee, Jacobs, Neville, Salomon and Sufi asked clarifying questions.

Chairperson Neville called for public comment on this item. There was no public comment.

No action was taken on this item.

- b. Appointment of Vice Chair

*Finance and Budget Commission Minutes
January 11, 2021*

Chairperson Neville asked commissioners who is interested in filling the Vice Chair position until July. Commissioner Beeman and Salomon provided comments. Commissioner Beeman indicated his willingness to serve as vice-chair. The motion to appoint Commissioner Beeman as vice chairperson was made by Chairperson Neville and seconded by Commissioner Buzbee.

The vote, by roll call, was as follows:

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

- c. Discussion related to subcommittee's proposal for improving economic analysis related to Major Projects

Chairperson Neville said the item was a discussion of a subcommittee proposal presented at the last meeting. There were two commissioner comments received in writing prior to the meeting, which the chairperson read into the record.

Chairperson Neville asked that Commissioners Sandino and Salomon elaborate on their comments submitted earlier. Chair Neville said Commissioners Sandino's suggestion to look at impact fees had merit and requested input from other commissioners. Commissioner Jacobs asked whether the city was already hiring a consultant to do this. Finance Director Adair indicated that as part of the update of the general plan there would be work on the issue. Neville stressed the need for the subcommittee to meet with staff and commission liaisons and come back at the next meeting with a specific proposal.

Commissioner Beeman asked Commissioner Salomon to clarify points raised in his memo. Council Member Carson was asked whether it makes sense to have a unified approach to city-county revenue split on property tax revenue and whether there was value in determining this prior to negotiation on a particular project. Carson provided some background. Beeman indicated that exploring this issue had merit but not at this point. Commissioner Salomon asked that incorporating the cost associated with increased traffic due to a major development project into development impact fees be placed on a future agenda.

The subcommittee members said they would work with staff and report back to the full commission.

There was no action on this item

- d. Considerations of additional ad hoc subcommittees

Chairperson Neville urged the commission to create the Local Content Preferences Subcommittee with Commissioners Beeman, Buzbee, and Sufi. Chairperson Neville advised that there are significant legal issues associated with local content preferences. Chair Neville clarified that there was no need to formally act on this recommendation and that this activity could occur under the existing Ad Hoc Committee on Major Project Economic Analysis.

Chairperson Neville urged the commission to re-establish the Admin and Communications Subcommittee. The motion to reestablish that subcommittee was made by Commissioner Jacobs and seconded by Commissioner Buzbee

The vote, by roll call, was as follows:

Ayes: Commissioners Beeman, Buzbee, Jacobs, Neville, Salomon, and Sufi

e. Housing Element Subcommittee

Chairperson Neville said the item was a discussion of a subcommittee proposal presented at the last meeting. There were two commissioner comments received in writing prior to the meeting, which the chairperson read into the record.

Chairperson Neville asked that Commissioners Sandino and Salomon elaborate on their comments submitted earlier. Chair Neville said Commissioners Sandino's suggestion to look at impact fees had merit and requested input from other commissioners. Commissioner Jacobs asked whether the city was already hiring a consultant to do this. Finance Director Adair indicated that as part of the update of the general plan there would be work on the issue. Neville stressed the need for the subcommittee to meet with staff and commission liaisons and come back at the next meeting with a specific proposal.

Beeman asked Commissioner Salomon to clarify points raised in his memo. Council Member Carson was asked whether it makes sense to have a unified approach to city-county revenue split on property tax revenue and whether there was value in determining this prior to negotiation on a particular project. Carson provided some background. Beeman indicated that exploring this issue had merit but not at this point. Commissioner Salomon asked that incorporating the cost associated with increased traffic due to a major development project into development impact fees be placed on a future agenda.

The subcommittee members said they would work with staff and report back to the full commission.

Public Comment: Chairperson Neville called for public comment and there was no public comment provided.
There was no action on this item.

7. Commission and Staff Communication

a. Subcommittee Reports:

Commissioner Sandino indicated that he was still waiting to receive contracts for goods and services before he could do his analysis.

Chairperson Neville provided a status update on the subcommittee's prior recommendation regarding the use of excess water and sewer funds to pay down OPEB/Pension liability. She explained that at a prior meeting, the commission had been advised that the City would need to hire an actuary to determine whether the advance payments were given the appropriate accounting treatment. She also mentioned that the commission is waiting for a response from City staff regarding the potential cost of hiring an actuary for this purpose.

There were no other subcommittee updates.

There was no public comment on the subcommittee updates.

b. Long Range Calendar:

Chairperson Neville urged the commission to include a discussion of how to review and provide input on the budget at the upcoming February meeting.

Commissioner Jacobs mentioned that City staff is working on providing information for council regarding a \$1.8 million ladder truck and suggested that review of this analysis by the commission could be useful.

Commissioner Salomon made the following motion: "[T]he Finance and Budget Commission recommends that the city council direct city staff to review the appropriate data and analysis appropriate to the purchasing of a fire ladder truck with the commission."

The motion to approve was made by Commissioner Salomon and seconded by Commissioner Sandino.
The vote, by roll call, was as follows:

*Finance and Budget Commission Minutes
January 11, 2021*

Ayes: Commissioners Beeman, Buzbee, Jacobs, Neville, Salomon, and Sandino.

Nays: Sufi

The motion carried. Chairperson Neville will draft a letter to council.

Commissioner Jacobs requested an update on the City's plan for an ERP system at the next meeting.

Public Comment: Chairperson Neville called for public comment and there was none.

8. Adjournment:

Chairperson Neville asked for a motion to adjourn. Commissioner Beeman moved to adjourn and the motion was seconded by Commissioner Salomon. The vote was as follows:

Ayes: Commissioners Beeman, Beeman, Buzbee, Jacobs, Neville, Salomon, and Sufi.

The meeting was adjourned at 8:57 pm.