



## MINUTES

### Finance Administration and Police Subcommittee Meeting

Meeting Date: Thursday, October 13, 2016

Meeting Time: 2:00 p.m.

Meeting Location: City Hall

124 N. Cloverdale Blvd., Cloverdale, CA

#### Subcommittee Members

Councilmember Mary Ann Brigham, Chair

Councilmember Gus Wolter

City Manager, Paul Cayler

Police Chief, Stephen Cramer

Finance Manager, Joanne Cavallari

1. **Call to Order:** Chair Brigham called the meeting to order at 2:00 p.m.
2. **Communications:** None.
3. **Public Comment:** Robin Wilkerson, from the Cloverdale Chamber of Commerce, announced that the second Candidates Forum date is being rescheduled to October 24<sup>th</sup> because of a conflict with the Presidential Debate on 19<sup>th</sup>.
4. **Approval of Minutes:** the minutes for August 25, 2016 were approved.
5. **Current Items for Discussion:**
  - a) Discussion of Solid Waste rate adjustments

City Manager Cayler introduced Mike Lockwood, representative with Sonoma County Solid Waste Disposal, and Richard Tagore-Erwin, an independent consultant with R3 Consulting Group, Inc. Mr. Tagore-Erwin presented the Redwood Empire Disposal Annual Rate Adjustment Findings. He stated that the rates have declined, primarily due to lower gas prices. Mr. Tagore-Erwin recommended the City adopt the revised customer rates that result in an approximate overall 4.3 % decrease, noting that if gas prices go up the rates will rise again next year. Discussion ensued with the Committee recommending placing the rate adjustment on the Consent Calendar for the next City Council meeting.
  - b) Review UUT Administrative Rulings

Finance Manager Cavallari explained that the UUT Rulings were issued to clarify definitions and answer questions. She commented that Ruling #1 provides guidance on determining the sourcing of charges for the use of private communication services and defines prepaid telecommunication services; Ruling #3 clarifies which bundled services may be exempt from the UUT; Ruling # 4 addresses taxing video programming in all forms, with Ms. Cavallari noting that satellite services are exempt by federal law. The Committee discussed which services are taxed and why. City Manager Cayler commented that this is an informational only item with no action required.
  - c) Finance Manager's draft FY 2015/16 Measure O Report

Finance Manager Cavallari stated that the Utility User Ordinance requires two reports; one from the Finance Manager and one from the City Auditor. She stated her report is based on unaudited numbers, adding that the Auditor's report will probably not be completed until the end of December. Ms. Cavallari commented that if the City had not received the funds from Measure O, there are numerous projects that would not have come to fruition and some City positions would not have been filled. Ms. Cavallari

reported that this report will go to the Council after the audited financial statement are submitted. The committee complimented Ms. Cavallari on her report.

d) Review Preliminary FY 15/16 General Fund Revenues and Expenses

Finance Manager Cavallari discussed the General Fund Revenues, commenting that revenues were higher than expected due to increased property taxes and the User Utility Tax. She was also able to transfer approximately \$250,000 from the Redevelopment Property Tax Fund Administrative Allowance into the General Fund. Ms. Cavallari commented that these extra funds and the City's cautious spending throughout the year contributed to the surplus revenues. Ms. Cavallari reported that she expects to end the fiscal year with close to 25% in the General Fund Reserve, which is the amount the Council set as the reserve goal. She distributed a handout (attached), which illustrated the changes in the General Fund balances from June 2010 to June 2016. City Manager Cayler applauded the growth of the General fund from 2013 to 2016. The Committee discussed designating specific fund uses within the Reserve Fund, future expenses, and the necessity to rebuild City personnel levels. Because of overtime in Police Dispatch, the Dispatcher position was recommended to be the first position to be filled. The Committee recommended presenting the request to add a dispatcher to the full City Council.

e) Discussion of Reserves policy and General Fund surplus policy

Finance Manager Cavallari presented the draft Reserve Policy and the draft Surplus Policy. She reported that the policies were amended to include committee input, which involved creating a strategic reserve to be used only with Council approval. The Committee discussed reserve levels, possible reserve uses and the priority order of the different uses, with Committee member Wolter suggesting moving more of the reserve funds into building and equipment repair. City Manager Cayler commented that a Capital Improvement Plan developed by an independent consulting firm would be beneficial for the City. The Committee discussed the possibility of funding a Capital Improvement Plan in the upcoming budget year. The committee recommended presenting the Reserves policy and General Fund surplus policy to the City Council on October 25<sup>th</sup>.

f) Purchase of additional patrol car

Chief Cramer discussed the need to add another police patrol car. He presented the Committee with a list of the current police vehicles and the mileage on each (attached). Chief Cramer discussed the cost of the vehicle and associated required equipment, reporting that the vehicle would be funded through utilization of the Public Safety Impact Fee Fund. Finance Manager Cavallari commented that this additional car is necessary because of the addition of a 10<sup>th</sup> Police Officer to the department. The Committee gave direction to present this request to the full Council at the October 25<sup>th</sup> meeting under the Consent Calendar.

g) Status of Thyme Square development

City Manager Cayler commented that the Planning & Community Development Subcommittee just reviewed progress on Thyme Square development. He commented that architects and engineers are being considered for the project. Committee Member Wolter requested to keep the status of Thyme Square as a standing, ongoing item on the Finance Administration and Police Subcommittee agenda under the title of "Status of Thyme Square and the Police Department" to monitor progress and insure the new building location for the Police Department is adequate. Chief Cramer reported that he and the City Manager are in constant communication about the next step in the project.

**6. Information Only Memos:** None

**7. Future Agenda Items (subject to change):** None

**8. Pending Items:** None

**9. Good of the Order:** None

**10. Adjournment:** Chair Brigham adjourned the meeting at 3:30 p.m. to a special meeting on Dec 8, 2016, at 2:00 p.m. or alternate date as requested. Meeting scheduled for December 29<sup>th</sup> was canceled.

**GENERAL FUND**  
**CHANGES IN FUND BALANCE**  
**JUNE 30, 2010 TO JUNE 30, 2016**

	<b>Beginning Fund Balance</b>	<b>Ending Fund Balance</b>	<b>Increase (Decrease)</b>	<b>Percent Increase (Decrease)</b>
<b>June 30, 2010</b>	622,744.00	451,207.00	(171,537.00)	-28%
<b>June 30, 2011</b>	451,207.00	466,034.00	14,827.00	3%
<b>June 30, 2012</b>	466,034.00	290,956.00	(175,078.00)	-38%
<b>June 30, 2013</b>	290,956.00	177,122.00	(113,834.00)	-39%
<b>June 30, 2014</b>	177,122.00	797,983.00	620,861.00	351%
<b>June 30, 2015</b>	797,983.00	879,676.00	81,693.00	10%
<b>June 30, 2016</b>	879,676.00	1,650,228.00	770,552.00	88%

<b>Officer</b>	<b>Vehicle</b>	<b>Year</b>	<b>Mileage</b>	<b>Make</b>
Rhodes	Unit 11	2003	116487	Ford-Sedan
Perez	Unit 12	2003	102914	Ford-Sedan
Sgt. Segobiano	Unit 20	2007	94582	Chevy-SUV
Baker	Unit 9	1999	91765	Ford-Sedan
Gastineau	Unit 14	2003	92319	Ford-Sedan
Vanoni	Unit 10	2002	90828	Ford-Sedan
Chief Cramer	Unit A1	2009	86181	Chevy-SUV
Eglesfield	Unit 19	2007	58145	Chevy-SUV
Camara	Unit 16	2013	54630	Chevy-SUV
Campbell	Unit 18	2013	43634	Chevy-SUV
Sgt. Parker	Unit 24	2008	43612	Chevy-SUV
Haas	Unit 23	2008	39287	Chevy-SUV
Strattan	Unit 17	2009	31650	Chevy-SUV
Nunez	Unit 3	<del>2014</del>	5970	Ford-SUV

2015