

## **Finance and Audit Committee**

Date: Monday, February 25, 2008, 9:00 Am

Re: Meeting Notes

An audio tape recording of this meeting is available from Finance Department.

### **Handouts:**

- Mid-year report and presentation
- Investment Policy
- Investment Report for January 2008
- Institute for Local Government's "Understanding the Basics of County and City Revenues"
- 2008-09 Budget Schedule (internal)

### **Items discussed by committee:**

- The current status of the RDA debt was discussed.
- Primer of the mid-year report and mid-year budget adjustments
- More in-depth explanation of property tax revenues
- Carol explained each column heading in the General Fund Summary (mid-year).
- Carol explained encumbrances and appropriations that roll over to next fiscal year.
- Committee and Staff discussed variances in the adopted budget compared to the projected budget (mid-year).
- John Boyle indicated that a financial update, after the audit was completed but prior to the CAFR's publication, would be helpful.
- John Boyle suggested that an analysis on various trends (revenue growth per capita, police service costs per capita, etc.) would be helpful.
- General discussion on ways other cities have increased revenue.
  - TOT was discussed since Palo Alto raised their TOT tax to 12%; your city/your decision highlighted various ways to increase revenue.
- Municipal reserves and various purposes were discussed.

### **Next meeting:**

- More in-depth explanation of the City's revenues to be continued at next meeting.
- Staff has prepared a format for monthly year-to-date comparison of General Fund revenues and expenses for feedback from the Committee.
- Next meetings are scheduled for March 31<sup>st</sup>, April 28<sup>th</sup> and May 19<sup>th</sup>, all at 9:00 am in the Administrative Conference Room (2<sup>nd</sup> floor)