

TRACY FINANCE COMMITTEE MEETING MINUTES

April 19, 2023, 7:00 p.m.

Tracy City Hall, 333 Civic Center Plaza, Tracy

2nd Floor, Room 203

1. CALL TO ORDER – Council Member Arriola called the meeting to order at 7:15 p.m.
2. ROLL CALL – Roll call found Council Member Arriola present. Mayor Young participated remotely.
3. ITEMS FROM THE AUDIENCE – There were no items from the audience.
4. DISCUSSION ITEMS

4A. Committee selection of a chairperson

ACTION: Motion was made by Council Member Arriola to nominate Council Member Arriola as chairperson and seconded by Mayor Nancy Young. Motion found all in favor; passed and so ordered.

4B. STAFF RECOMMENDS THAT THE TRACY FINANCE COMMITTEE RECEIVE AN INFORMATIONAL REPORT AND UPDATE REGARDING THE PRELIMINARY FY2023-24 OPERATING BUDGET

Sara Cowell, Finance Director, provided the staff report and update on the preliminary FY 2023-24 operating budget.

Mayor Young asked about the totals on the staffing requests. Budget Officer Felicia Galindo and Director of Finance Sara Cowell explained that other costs are included such as purchases, services, and supplies. It also encompasses materials costs, utilities, and solid waste contract increase. Innovation and technology requests are related to ensure that we have software contracts and the City Attorney’s office is requesting outside legal counsel due to increase in litigation and for backfill when one employee is to be out on leave.

Mayor Young requested an additional slide in between the Preliminary FY2023-24 Budget Augmentations and the Staffing Requests slide. Council Member Arriola requested an extra slide describing the additional costs breakdown.

Arriola stated that perhaps we could use this space to assist staff with the presentation to the public and council. He suggested that on the sales tax update slide to include percentages and numbers. On the budget augmentation slide he inquired as to what is

the 4.1 million for Operations and Utilities, three positions are listed, what constitutes the remainder. The response by staff was that 2.9 million is fuel expense, waste contract, staff and one-time items related to vehicles and purchases. The majority is from increasing the contract which is money in and out as we collect the fees and then pay them out for the contract.

Assistant City Manager Karin Schnaider commented – sales tax information was disseminated, and we will have more information within two weeks. It may be larger than the loss of Amazon. She expects a bill on the floor in January.

No public comment no action needed to be taken.

- 4C. STAFF RECOMMENDS THAT THE TRACY FINANCE COMMITTEE RECEIVE AN INFORMATIONAL REPORT RELATED TO PARTICIPATION IN THE CALIFORNIA EMPLOYERS' PENSION PREFUNDING TRUST (CEPPT) PROGRAM, FOR THE PREFUNDING OF THE CITY'S ACCURED PENSION COSTS

Sara Cowell, Finance Director, provided the staff report on participation in the California Employers' Pension Prefunding Trust (CEPPT) program, for the prefunding of the City's accrued pension costs.

Council Member Arriola questioned would our intent be to continue with this should the E Commerce go away. The response was that we have money set aside and we think we have at least one year so two more million in the trust through 2024, at which time sustainability strategies will go away.

No public comment no action needed to be taken.

5. STAFF ITEMS – Sara Cowell, Finance Director, asked if the current day and time was acceptable to the committee members as the bylaws have not yet been approved. This topic will be revisited later via email as not all members had their calendars accessible.
6. COMMITTEE ITEMS – Council Member Arriola inquired as to whether there would be the opportunity to discuss individual travel budget before this committee before the June council meeting. The response was that yes, staff will bring back an item to the May Finance Committee meeting.
7. ADJOURNMENT – Time: 7:43 pm

Mayor _____

ATTEST:

Executive Assistant