

March 26, 2024, 7:00 p.m.

City Hall, 333 Civic Center Plaza, Tracy

Web Site: www.cityoftracy.org

CALL TO ORDER – Chairperson Arriola called the meeting to order at 7:00 p.m.

ROLL CALL – Roll call found Chairperson Arriola and Co-Chairperson Bedolla present.

1. CONSENT CALENDAR – Motion was made by Co-Chairperson Bedolla and seconded by Chairperson Arriola to adopt the Consent Calendar. Roll call found all in favor; passed and so ordered.

1.A. Approval of February 27, 2023, meeting minutes. – **Minutes were approved.**

2. ITEMS FROM THE AUDIENCE – There were no items from the audience.

3. REGULAR AGENDA

- 3A. Staff recommends that the Tracy Finance Committee make a recommendation that the City Council adopt a Resolution: 1) Authorizing the acceptance of a grant award from the California Department of Health Care Services in partnership with the San Joaquin County Behavioral Health Services and related actions; 2) Appropriating the grant award of \$336,350.00 to the Police Department's operational budget.

Miguel Contreras, Police Lieutenant, provided the staff report and sought committee feedback.

There was no public comment.

Committee asked clarifying questions. Chairperson Arriola thanked staff, the Police Department and the Homeless Services Division for the work involved in growing the Familiar Faces program and stated that the MET program is a great investment in our community and is the most innovative and with the best practices that he has seen and has his support.

ACTION: Motion was made by Co-Chairperson Bedolla and seconded by Chairperson Arriola that the Tracy Finance Committee recommend that the City Council adopt a Resolution: 1) Authorizing the acceptance of a grant award from the California Department of Health Care Services in partnership with the San Joaquin County Behavioral Health Services and related actions; 2) Appropriating the grant award of \$336,350.00 to the Police Department's operational budget. Roll call found all in favor; passed and so ordered.

- 3.B. Staff recommends that the Tracy Finance Committee recommend that the City Council adopt a resolution approving the Capital Improvement Projects Prioritization Policy.

Sara Cowell, Finance Director, provided the staff report and sought committee feedback.

Committee asked clarifying questions. Arriola thanked staff for this policy.

There was no public comment.

Co-Chairperson Bedolla reiterated that at the February 27 meeting the Finance Committee was looking for more funding or increased funding for road rehabilitation, for parks and recreation and for economic development. He noted that he supports this policy. Chairperson Arriola would like to ensure that the public is informed on phases and timelines on these projects.

ACTION: Motion was made by Co-Chairperson Bedolla and seconded by Chairperson Arriola that the Tracy Finance Committee recommend that the City Council adopt a resolution approving the Capital Improvement Projects Prioritization Policy. Roll call found all in favor; passed and so ordered.

- 3.C. Staff recommends that the Tracy Finance Committee, as a part of the Fiscal Year (FY) 2024-25 budget development process: (A) receive a report on FY 2023-24 departmental and capital project accomplishments, and (B) provide direction regarding anticipated departmental and capital project augmentation requests and funding objectives for the FY 2024-25 Operating and Capital Budget.

Felicia Galindo, Budget Officer, provided the staff report and sought committee feedback.

A representative from each department within the City of Tracy spoke to each of their respective budget requests and informed the Committee of how past funds were spent.

Committee asked clarifying questions.

There was no public comment. Co-chairperson Bedolla thanked staff for their hard work. Chairperson Arriola thanked staff for their continued work: Economic Development Strategic Plan, HR's new leadership program, new IT department, Parks and Recreation's legacy fields, Homeless services having 20 people who have positively exited and that our Police Force is fully staffed, and Public Works Department and the use of new technology and new positions.

ACTION: Motion was made by Co-Chairperson Bedolla and seconded by Chairperson Arriola that the Tracy Finance Committee recommend that the City Council as a part of the Fiscal Year (FY) 2024-25 budget development process: (A) receive a report on FY 2023-24 departmental and capital project accomplishments, and (B) provide direction regarding anticipated departmental and capital project

augmentation requests and funding objectives for the FY 2024-25 Operating and Capital Budget. Roll call found all in favor; passed and so ordered.

- 3.D. Staff recommends that the Tracy Finance Committee discuss one of four alternative options for funding the purchase of two replacement fire apparatus and recommend one of the options for the City Council to consider and approve, along with other related actions.

Sara Cowell, Finance Director, provided the staff report and sought committee feedback.

Committee asked clarifying questions.

There was no public comment.

ACTION: Motion was made by Co-Chairperson Bedolla and seconded by Chairperson Arriola that the Tracy Finance Committee recommend that the City Council discuss one of four alternative options for funding the purchase of two replacement fire apparatus and recommend option two for the City Council to consider and approve, along with other related actions. Roll call found all in favor; passed and so ordered.

4. STAFF ITEMS – Assistant City Manager Karin Schnaider gave an update from California League of Cities recent Revenue and Taxation meeting. She stated that the California Revenue and Taxation has taken positions on two bills that align with the City's legislative policies and that affect the Finance Committee.
- A. Sales tax sharing agreement that exists is Senator Glazer's bill which would have two impacts: one ceasing all future sales tax sharing agreements and two, retroactively disallowing all prior engaged agreements. There are concerns with this bill. In addition, retroactively we have three existing contracts that would be impacted and could end up in litigation. A letter will be sent tomorrow in opposition of that bill.
- B. The second one is a bill from Senator Irwin who has a bill that aligns with the California League of Cities desire to have more transparency when it comes to the sales tax sharing agreements. There is a high penalty of \$1,000 per day for not reporting. Ms. Schnaider will be on a subgroup that will help with the amended language.

There are ongoing efforts to work on the definitions of ecommerce.

5. COMMITTEE ITEMS – Chairperson Arriola requested an analysis of city staffing and recruitment policy and would like an assessment of staffing forecast and budgetary considerations to achieve fully staffed levels. He asked that an analysis be completed of employee turnover, attrition, vacancy savings, over-hire policies, and gaps in budget staffing related to per acre per park. Co-Chairperson Bedolla requested time to consider this as this was the first time that he was hearing it and would like to reserve staff time for what is happening now. CAO's office stated that the statement could be re-framed as a question. Chairperson Arriola stated that he would speak to staff.
6. ADJOURNMENT – Time: 8:58 p.m.

ACTION: Motion was made by Chairperson Arriola and seconded by Council Member Bedolla to adjourn. Motion found all in favor; passed and so ordered.

The agenda was posted at City Hall on March 21, 2024. The above are action minutes. A recording is available on the City's website.

Chairperson

ATTEST:

Clerk