



City of Emeryville

CALIFORNIA

MEMORANDUM

DATE: February 20, 2018

TO: Carolyn Lehr, City Manager

FROM: Susan Hsieh, Budget Advisory Committee

SUBJECT: **Budget Advisory Committee's Annual Report on Committee Goals, Principles and Accomplishments for Year 2017; and Proposed Committee Priorities for Year 2018**

COMMITTEE GOALS AND PRINCIPLES

The Budget Advisory Committee is established by the City Council to provide input and recommendations regarding City policies, priorities, and feedback related to the City's budget.

ACCOMPLISHMENTS FOR CALENDAR YEAR 2017

The Budget Advisory Committee's major accomplishments are presented below. The Committee continued to review and monitor revenues, expenditures, and reserve funds to ensure prudent spending. The Committee also reviewed and updated the City's financial policies to reflect best practices, with the focus on long-term financial planning. An important discussion in 2017 was related to revenue generation, and the goal is to enhance the City's financial security into the future.

- Review of quarterly and annual financial reports including the FY 16-17 Annual Audit
- Review of quarterly fire service expenditures
- Review of quarterly long-term debt reports
- Discussion on City banking services
- Discussion on the establishment of Section 115 Pension Trust
- Review of FY 16-17 Budget Amendment
- Review of FY 17-18 Master Fee Schedule
- Review of FY 17-18 Investment Policy
- Discussions on revenue opportunities and proposed budget solutions
- Review of 2017-19 Budget
- Discussion on economic development strategies

TOP PRIORITIES FOR CALENDAR YEAR 2018

The Committee's key goals for 2018 are presented below and separated into first highlighted priority and second highlighted priority. The Committee will continue to identify revenue opportunities to strengthen the City's financial position and develop funding strategies to mitigate upcoming pension rate increases. While ensuring sound financial policies and adequate internal controls are in place, another priority is to produce a budget brochure to provide transparent information to the public. The Committee will also review and update the investment policy – an important policy that guides the City's investments and helps to safeguard assets.

- Continue discussion on revenue opportunities
- Establish a Section 115 Pension Trust and develop an investment policy for the trust
- Formulate funding strategies for rising pension costs
- Review 2017-19 budget amendments
- Develop a Budget-at-a-Glance document to provide clear and transparent information to the public
- Review and update FY 18-19 Master Fee Schedule
- Review and update FY 18-19 Investment Policy
- Review budget/financial policies to ensure sound financial management
- Continue to monitor City revenues, expenditures, and reserve funds to ensure prudent spending and long-term fiscal sustainability

First Highlighted Priority

- Continue discussion on revenue opportunities
- Formulate funding strategies for rising pension costs
- Develop a Budget-at-a-Glance document to provide clear and transparent information to the public
- Review and update FY 18-19 Investment Policy

Second Highlighted Priority

- Establish a Section 115 Pension Trust and develop an investment policy for the trust
- Review 2017-19 budget amendments
- Review and update FY 18-19 Master Fee Schedule
- Review budget/financial policies to ensure sound financial management

- Continue to monitor City revenues, expenditures, and reserve funds to ensure prudent spending and long-term fiscal sustainability

CONCLUSION

Participation in the Budget Advisory Committee is an opportunity to advise the City on revenues, expenditures, and best practices. The Committee is committed to ensuring the City's fiscal health through sound financial policies and procedures. The goal is to provide financial data to the public in a transparent manner.

PREPARED BY: Susan Hsieh, Finance Director

**APPROVED AND FORWARDED TO THE
CITY COUNCIL OF THE CITY OF EMERYVILLE:**



Carolyn Lehr, City Manager