



AGENDA

SPECIAL CITY COUNCIL MEETING *(not televised)*

February 4, 2020 - 6:45 p.m.

Hillside Conference Room

REGULAR CITY COUNCIL MEETING

February 4, 2020 – 7:00 p.m.

City Council Chambers

Meeting Location:

El Cerrito City Hall

10890 San Pablo Avenue, El Cerrito

Members:

Mayor Gregory B. Lyman

Mayor Pro Tem Paul Fadelli • Councilmember Janet Abelson

Councilmember Rochelle Pardue-Okimoto • Councilmember Gabriel Quinto

6:45 ROLL CALL - CONVENE SPECIAL CITY COUNCIL MEETING

1. ORAL COMMUNICATIONS FROM THE PUBLIC

All persons wishing to speak should sign up with the City Clerk. Remarks are typically limited to 3 minutes per person and to items on the special meeting agenda only.

2. COMMISSION INTERVIEWS, STATUS, AND APPOINTMENTS

Action Proposed: Staff requests that City Council confer with staff regarding the ongoing recruitments, any remaining vacancies, consider pending applicants, and the scheduling of further special meetings to conduct interviews (if applicable). Council may decide to make appointments at the conclusion of the meeting.

Contact: Holly M. Charléty, City Clerk, City Management

3. ADJOURN SPECIAL CITY COUNCIL MEETING

7:00 ROLL CALL – CONVENE REGULAR CITY COUNCIL MEETING

**1. PLEDGE OF ALLEGIANCE TO THE FLAG OR OBSERVATION OF
MOMENT OF SILENCE**

Councilmember Pardue-Okimoto

2. COUNCIL/STAFF COMMUNICATIONS

Reports of closed session, commission appointments and informational reports on matters of general interest which are announced by the City Council and staff.

3. ORAL COMMUNICATIONS FROM THE PUBLIC

All persons wishing to speak should sign up with the City Clerk. Remarks are typically limited to 3 minutes per person. The Mayor may reduce the time limit per speaker depending upon the number of speakers. Kindly state your name and city of residence for the record. Comments regarding non-agenda, presentation and consent calendar items will be heard first. Comments related to items appearing on the Public Hearing or Policy Matter portions of the Agenda are taken up at the time the City Council deliberates each action item. Individuals wishing to comment on any closed session scheduled after the regular meeting may do so during this public comment period or after formal announcement of the closed session.

4. ADOPTION OF THE CONSENT CALENDAR

All items on the consent calendar shall be acted upon in one motion, unless a member of the City Council or staff request separate consideration.

A. Approval of Minutes

Action Proposed: Pass a motion to approve the minutes from the meetings of December 17, 2019 and January 7, 2020.

Contact: Holly M. Charléty, City Clerk, City Management

B. Black History Month Proclamation

Action Proposed: Pass a motion to approve a proclamation declaring February as Black History Month in the City of El Cerrito.

Contact: Kristen Cunningham, Human Resources Manager, Human Resources Department

C. Lunar New Year Proclamation

Action Proposed: Pass a motion to approve a proclamation recognizing the cultural and historical significance of Lunar New Year in the City of El Cerrito.

Contact: Kristen Cunningham, Human Resources Manager, Human Resources Department

D. Economic Development Committee Appointment

Action Proposed: Approve an Economic Development Committee recommendation to appoint Rachel Melby to the Economic Development Committee, effective February 4, 2020.

Contact: Jennifer Peat, Management Assistant/EDC Staff Liaison
Melanie Mintz, Community Development Director, Community Development Department

E. MUFG Union Bank Funds Transfer Authorization of Signatories

Action Proposed: Adopt a resolution authorizing the listed signatories as included on the attached MUFG Union Bank Funds Transfer Authorization Form.

Contact: Shannon Collins, Finance Supervisor, Finance Department

F. Quarterly Cash and Investment Report

Action Proposed: Receive and file the City's Quarterly Investment Report for the Quarter ending December 31, 2019.

Contact: Mark Rasiah, Finance Director/Treasurer, Finance Department

G. Annual payment for El Cerrito's share of the West Contra Costa Integrated Waste Management Authority operating expenses for calendar year 2019

Action Proposed: Adopt a resolution authorizing payment for the City of El Cerrito's share of the West Contra Costa Integrated Waste Management Authority's operating expenses for calendar year 2019 in an amount not to exceed \$81,200.

Contact: Maria Sanders, Operations + Environmental Services Division Manager
Yvetteh Ortiz, Public Works Director/City Engineer, Public Works Department

5. PRESENTATIONS

A. Proclamation for Officer of the Year

Action Proposed: Pass a motion to approve a proclamation commending and congratulating Detective Ryan Trac as the 2019 Officer of the Year.

Contact: Paul Keith, Police Chief, Police Department

B. Proclamation for Professional Staff of the Year

Action Proposed: Pass a motion to approve a proclamation commending and congratulating Records Specialist Veronica Ceja as the 2019 Professional Staff Member of the Year.

Contact: Paul Keith, Police Chief, Police Department

C. Proclamation for Volunteer of the Year

Action Proposed: Pass a motion to approve a proclamation commending and congratulating Vivian Bocanegra as the 2019 Volunteer of the Year.

Contact: Paul Keith, Police Chief, Police Department

D. West Contra Costa Unified School District (WCCUSD) Measure on Classroom Modernization and Safety Update (Measure R)

Action Proposed: Receive and file a brief overview of the March 3, 2020 Measure for WCCUSD.

Contact: Marcus Walton, Communications Director, WCCUSD

6. PUBLIC HEARINGS

7. POLICY MATTERS

A. Long Term Financial Forecast and Budget Study Session

Action Proposed: Receive and file an update on the City's General Fund Long Term Financial Forecast (LTFF) and provide staff with directions on budget reductions for the FY 20-22 biennial budget.

Contact: Karen Pinkos, City Manager, City Management
Mark R Rasiah, Finance Director/City Treasurer, Finance Department

B. Amending the Real Property Transfer Tax Collection Process (*Notice Published 1/25/2020*)

Action Proposed: It is recommended that the City Council 1) introduce by title and waive any further reading of an Ordinance amending Chapter 4.64 of the El Cerrito Municipal Code regarding administration of the Real Property Transfer Tax; and 2) adopt a resolution authorizing the City Manager to execute an agreement with the County of Contra Costa for collection of the Real Property Transfer Tax.

Contact: Shannon Collins, Finance Supervisor, Finance Department

8. CITY COUNCIL LOCAL & REGIONAL LIAISON ASSIGNMENTS

Mayor and City Council communications regarding local and regional liaison assignments and committee reports.

9. ADJOURN REGULAR CITY COUNCIL MEETING

The next regularly scheduled City Council meeting is Tuesday, February 18, 2020 at 7:00 p.m. in the City Council Chambers, 10890 San Pablo Avenue, El Cerrito.

The City of El Cerrito serves, leads and supports our diverse community by providing exemplary and innovative services, public places and infrastructure, ensuring public safety and creating an economically and environmentally sustainable future.

- Copies of the agenda bills and other written documentation relating to items of business referred to on the agenda are on file and available for public inspection in the Office of the City Clerk, at the El Cerrito Library and posted on the City's website at www.el-cerrito.org prior to the meeting.
- In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk, 510-215-4305. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35.102-35.104 ADA Title I).
- ***The Deadline for agenda items and communications*** is eight days prior to the next meeting by 12 noon, City Clerk's Office, 10890 San Pablo Avenue, El Cerrito, CA. Tel: 510-215-4305 Fax: 510-215-4379, email cityclerk@ci.el-cerrito.ca.us
- IF YOU CHALLENGE A DECISION OF THE CITY COUNCIL IN COURT, YOU MAY BE LIMITED TO RAISING ONLY THOSE ISSUES YOU OR SOMEONE ELSE RAISED AT THE COUNCIL MEETING. ACTIONS CHALLENGING CITY COUNCIL DECISIONS SHALL BE SUBJECT TO THE TIME LIMITATIONS CONTAINED IN CODE OF CIVIL PROCEDURE SECTION 1094.6.
- The City Council believes that late night meetings deter public participation, can affect the Council's decision-making ability, and can be a burden to staff. City Council Meetings shall be adjourned by 10:30 p.m., unless extended to a specific time determined by a majority of the Council.



AGENDA BILL

Agenda Item No. 2.

Date: February 4, 2020
To: El Cerrito City Council
From: Holly M. Charl  ty, City Clerk, City Management
Subject: COMMISSION INTERVIEWS, STATUS, AND APPOINTMENTS

ACTION PROPOSED

Staff requests that City Council confer with staff regarding the ongoing recruitments, any remaining vacancies, consider pending applicants, and the scheduling of further special meetings to conduct interviews (if applicable). Council may decide to make appointments at the conclusion of the meeting.

INTERVIEW SCHEDULE

Interviews scheduled for this meeting are as follows:

Ajay Friesen	Financial Advisory Board	6:45 p.m.
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Additional applicant(s) eligible for appointment include:

Bruce Yow	Financial Advisory Board	Served a partial term from 8/13/12-1/1/13 Re-applied 1/2/2020
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BACKGROUND /ANALYSIS

City staff continues to publicize board, commission and committee vacancies as they occur. Vacancies are published on the City's website and in the West County Times, and posted at City Hall, the Community Center and Library. Staff is also utilizing social media outlets to increase awareness and opportunities for citizens to participate by attending meetings and/or serving on a board, commission or committee.

STRATEGIC PLAN CONSIDERATIONS

This section is not applicable to this agenda item.

ENVIRONMENTAL CONSIDERATIONS

This section is not applicable to this agenda item.

FINANCIAL CONSIDERATIONS

This section is not applicable to this agenda item.

LEGAL CONSIDERATIONS

This section is not applicable to this agenda item.

Reviewed by:



Holly Charléty, City Clerk

Attachments:

Application(s) on file with the City Clerk

1. Commission Matrix CURRENT

Commission Vacancies/Application Status

AM = Attending Meetings

* = Upcoming Vacancies

Advisory Body (Current Vacancies)	Committee on Aging (3)	Crime Prev. Committee (11)	Economic Dev. Committee (7)	Financial Advisory Board (1)	Human Relations Commission (1*)	Park & Recreation Commission (1)	Planning Commission (1*)	Urban Forest Committee (10)	Date Application Received	Notes/Status	Council Interview Date
Pending Applicants											
Ramsey AlQaisi		AM							10/8/2019	No meetings attended	
Viviona Dhillon			AM					AM	11/12/2019	1 EDC meeting attended, no UFC	
Ajay Friesen			AM	X					1/22/2020	Scheduled for interview 6:45 on 2/4/2020	2/4/2020
George Gager		AM							12/11/2019	Current ACC, EDC & TPC member; 1 CPC meeting attended	
Erica Hennes			AM						12/19/2019		
Dorothy Herzberg	AM	AM							12/3/2019	1/7 Interviewed for ACC, not appointed; 2 CPC meetings attended	
Kirsten Meder			AM					AM	8/13/2019	1 UFC meeting attended, no EDC	
Rachel Melby			AM						1/7/2020	2/4 Pending Council Appointment	
Susan Russell								AM	4/15/2019	1 UFC meeting attended	
Frederick Shaw	AM	AM							4/22/2019	1 COA meeting attended, no CPC	
Mark Sifling			AM					AM	10/16/2019	1 EDC meeting attended, 1 UFC meeting attended	
David Van Etten	AM		AM						7/16/2019	2 COA meetings attended, no EDC	
Bruce Yow	AM			X					12/10/2019 1/2/2020	Current CSC, CPC, and CCTA CAC, Pending Discussion on FAB 2/4/2020	

EL CERRITO CITY COUNCIL DRAFT MINUTES

SPECIAL CITY COUNCIL MEETING *(not televised)*
DECEMBER 17, 2019 - 6:15 p.m.
Hillside Conference Room

REGULAR CITY COUNCIL MEETING
DECEMBER 17, 2019 – 7:00 p.m.
City Council Chambers

Meeting Location:
El Cerrito City Hall
10890 San Pablo Avenue, El Cerrito

6:15 P.M. ROLL CALL - CONVENE SPECIAL CITY COUNCIL MEETING

Mayor called the meeting to order at 6:19 PM

Present: Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto

Absent: None

1. ORAL COMMUNICATIONS FROM THE PUBLIC

All persons wishing to speak should sign up with the City Clerk. Remarks are typically limited to 3 minutes per person and to items on the special meeting agenda only.

Cordell Hindler - spoke on the need to fill vacancies such as Crime Prevention Committee and work towards reducing vacancies.

2. COMMISSION INTERVIEWS, STATUS AND APPOINTMENTS

Action Proposed: Staff requests that City Council conduct interviews and, at the conclusion of interviews, confer with staff regarding the ongoing recruitments, any remaining vacancies, and the scheduling of further special meetings to conduct interviews (if applicable). Council may decide to make appointments at the conclusion of the meeting.

Contact: Holly M. Charléty, City Clerk, City Management

Conducted two interviews for Design Review Board, no appointments made.

3. ADJOURN SPECIAL CITY COUNCIL MEETING

The special meeting adjourned at 6: 59 PM.

7:00 P.M. ROLL CALL – CONVENE REGULAR CITY COUNCIL MEETING

Mayor Lyman called the meeting to order at 7:07 PM.

Present: Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto

Absent: None

Mayor Lyman reported that no appointments were made at the special meeting.

1. PLEDGE OF ALLEGIANCE TO THE FLAG OR OBSERVATION OF MOMENT OF SILENCE

Councilmember Abelson

2. COUNCIL/STAFF COMMUNICATIONS

Reports of closed session, commission appointments and informational reports on matters of general interest which are announced by the City Council and staff.

Councilmember Quinto - announced re-elected to Bay Area Sierra Club Board; reported attendance at Hazardous Materials Commission meeting,

Mayor Pro Tem Fadelli - reported attendance at the community center holiday breakfast, State Senate and Staff Alumni Association meeting in Sacramento.

City Manager Pinkos - reminder for City Hall Closures for the holidays.

City Clerk Charl  ty - announced improvements in public access to meeting materials and videos, with better video quality, and all materials in one location.

Mayor Lyman - announced Martin Luther King event January 20th; reported on meeting and responses to questions asked by the State Auditor.

3. ORAL COMMUNICATIONS FROM THE PUBLIC

All persons wishing to speak should sign up with the City Clerk. Remarks are typically limited to 3 minutes per person. The Mayor may reduce the time limit per speaker depending upon the number of speakers. Kindly state your name and city of residence for the record. Comments regarding non-agenda, presentation and consent calendar items will be heard first. Comments related to items appearing on the Public Hearing or Policy Matter portions of the Agenda are taken up at the time the City Council deliberates each action item. Individuals wishing to comment on any closed session scheduled after the regular meeting may do so during this public comment period or after formal announcement of the closed session.

Cordell Hindler - announced Salesian High School pasta dinner on February 7, commented on rents for commercial space in the city.

Robin Mitchell - spoke regarding amending term limits for City Committees that are not full or need expertise. Requested reinstating termed out members in the future while thinking about a new policy, and long term look at amending the term limits.

Al Miller - announced several vacancies on organization committee for the Sundar Shadi Holiday Display, which is open from December 14th to the 26th.

4. ADOPTION OF THE CONSENT CALENDAR

All items on the consent calendar shall be acted upon in one motion, unless a member of the city council or staff request separate consideration.

A. Approval of Minutes

Action Proposed: Pass a motion to approve the minutes from the meeting of November 19 and December 3, 2019.

Contact: Holly M. Charl  ty, City Clerk, City Management

Moved/Seconded: Councilmember Pardue-Okimoto/Mayor Pro Tem Fadelli

Action: Approved revised minutes. **Ayes:** Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto **Noes:** None

B. Annual Review of Investment Policy

Action Proposed: Adopt a resolution approving the City's Investment Policy.

Contact: Mark R Rasiah, Finance Director/City Treasurer, Finance Department

Moved/Seconded: Councilmember Quinto/Councilmember Abelson

Action: Approved Resolution 2019-69. **Ayes:** Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto **Noes:** None

C. Transportation Impact Fee Annual Report for Fiscal Year 2018- 19

Report publicly posted 12/2/2019

Action Proposed: Receive and file the Transportation Impact Fee Annual Report for Fiscal Year 2018-19, ending June 30, 2019.

Contact: Yvetteh Ortiz, Public Works Director/City Engineer, Public Works Department

Moved/Seconded: Councilmember Quinto/Councilmember Abelson **Action:** Pulled from consent by Mayor Lyman. Received and filed with supplemental list of properties that paid the impact fee. **Ayes:** Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto **Noes:** None

D. 2019 Storm Drain Improvement Project, City Project No. C5036.7, Construction Contract Award Exempt from CEQA (Section 15301)

Action Proposed: Adopt a resolution approving plans and specifications for the 2019 Storm Drain Improvement Project, City Project No. C5036.7 (Project); rejecting the bid submitted by Tri-Valley Excavating Co., Inc as non-responsive and accepting the other eight bids submitted for the Project; authorizing the City Manager to execute a contract in the amount of \$299,331.00 with Ghilotti Bros., Inc. and to approve change orders in an amount not to exceed \$30,000 for the construction of the Project; and amending the Fiscal Year (FY) 2019-20 Adopted Budget and Capital Improvement Program to appropriate an additional \$211,331 in the Storm Drain Fund for the Project.

Contact: Ana Bernardes, Engineering Manager / Senior Engineer; Yvetteh Ortiz, Public Works Director / City Engineer, Public

Works

Moved/Seconded: Councilmember Pardue-Okimoto/Councilmember Abelson **Action:** Pulled from consent by Councilmember Pardue-Okimoto. Staff responded to comments and questions related to the urgency of the project, liability to the city, and where funding would come from, clarification of alternate bid not moving forward and source of funding for alternate. Approved Resolution 2019-70. **Ayes:** Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto **Noes:** None

5. **PRESENTATIONS**

6. **PUBLIC HEARINGS**

A. **Proposed East Bay Sanitary Garbage & Green Waste Collection and Post-Collection Rates and Integrated Waste Management Fees**
-- Effective January 1, 2020 *Public Hearing Noticed 12/7/2019 and 12/13/2019*

Action Proposed: 1. Conduct a public hearing and upon conclusion adopt a resolution establishing maximum allowable East Bay Sanitary (EBS) garbage and green waste collection, processing and disposal rates, effective January 1, 2020; and 2. conduct a public hearing and upon conclusion adopt a resolution fixing and setting Integrated Waste Management (IWM) Fees, effective January 1, 2020.

Contact: Yvetteh Ortiz, Public Works Director/City Engineer, Public Works Department

Presentation and Discussion: Presenters and staff responded to comments and questions raised by members of the council regarding percent of increase, potential ways for cost savings at the recycling center; hazardous waste cost tracking; burden of accepting Styrofoam, pharmaceuticals, food-ware and single-use plastics; clarification on SB 1383 requirements and timelines; and clarification that this is an enterprise fund, not the general fund.

Public Hearing: Mayor Lyman opened the public hearing for East Bay Sanitary Rates.

No public comments.

Moved/Seconded: Councilmember Quinto/Councilmember Pardue- Okimoto **Action:** Approved the close of the public hearing. **Ayes:** Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto **Noes:** None

Moved/Seconded: Councilmember Pardue-Okimoto/Councilmember Abelson **Action:** Approved East Bay Sanitary Rates Resolution 2019-71. **Ayes:** Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto **Noes:** None

Public Hearing: Mayor Lyman opened the public hearing for Integrated Waste Management Fees.

Public Comments:

Howdy Goudey - spoke in support of rate increase, mentioned at the recent increase, the public spoke in support of increasing rates to fund programs that will address a proactive vision to address climate action.

Moved/Seconded: Councilmember Pardue-Okimoto/Councilmember Abelson **Action:** Approved the close of the public hearing. **Ayes:** Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto **Noes:** None

Council Discussion: Presenters and staff responded to additional comments and questions raised by members of the council regarding relationship of the loan from enterprise to the general fund, grant funding, and focus on reuse of recyclables.

Moved/Seconded: Mayor Pro Tem Fadelli/Councilmember Quinto **Action:** Approved Integrated Waste Management Fees Resolution 2019-72. **Ayes:** Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto **Noes:** None

B. Urgency Ordinance to Amend Accessory Dwelling Unit Regulations
Interim Urgency Ordinance - 4/5 Vote Required, Public Hearing Noticed 12/7/2019

Action Proposed: Conduct a public hearing and upon conclusion adopt an interim ordinance repealing and replacing Section 19.20.190 (Accessory Dwelling Units), adding Section 19.20.195 (Junior Accessory Dwelling Units), and approving amendments to Section 19.46.030 (Residential Use Classifications), Chapter 19.47 (Terms and Definitions), and Section 19.24.040 (Required Off-Street Parking Spaces) of the El Cerrito Municipal Code as an urgency measure. A four-fifths vote of the City Council is necessary to adopt an interim urgency ordinance.

Contact: Jeff Ballantine, Senior Planner; Sean Moss, Planning Manager, Community Development Department

Presentation and Discussion: Presenters and staff responded to comments and questions raised by members of the council regarding creek setback provisions, parking requirements, abilities for charter cities to take different actions, potential increase to requests for new units, and streamlined approval process.

Public Hearing: Mayor Lyman opened the public hearing.

Public Comments:

Robin Mitchell - spoke in support of the Clerestory requirement.

Al Miller - spoke on easements behind properties, some 10 feet wide, and that no structures can be built, could complicate the replacement of sewer lines.

Moved/Seconded: Councilmember Pardue-Okimoto/Councilmember Quinto **Action:** Approved the close of the public hearing. **Ayes:** Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto **Noes:** None

Moved/Seconded: Councilmember Abelson/Councilmember Pardue-Okimoto **Action:** Approved Ordinance 2019-10. **Ayes:** Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Abelson, Councilmember Pardue-Okimoto, Councilmember Quinto **Noes:** None

7. POLICY MATTERS

8. CITY COUNCIL LOCAL & REGIONAL LIAISON ASSIGNMENTS

Mayor and City Council communications regarding local and regional liaison assignments and committee reports.

Mayor Lyman - reported attendance at Financial Advisory Board meeting, and Crime Prevention Committee meeting.

A. 2020 City Council Local Liaison Assignments *The Mayor will announce the 2020 City Council Liaison Assignments to City Boards, Commissions, and Committees and to Regional Bodies.*
Mayor Lyman announced City Council Local Liaison Assignments for 2020.

9. CLOSED SESSION - PUBLIC EMPLOYEE EVALUATION

Pursuant to Government Code Section 54957

Title: City Manager

Contact: Sky Woodruff, City Attorney, City Management

Adjourned to closed session at 9:13 PM in memory of Judith Tannenbaum and observed a moment of silence.

No reportable action.

10. ADJOURN REGULAR CITY COUNCIL MEETING IN MEMORY OF JUDITH TANNENBAUM

The next regularly scheduled City Council meeting is Tuesday, January 21, 2020 at 7:00 p.m. in the City Council Chambers, 10890 San Pablo Avenue, El Cerrito. The regular meeting adjourned at 10:56 PM.

Gregory B. Lyman, Mayor

This is to certify that the foregoing is a true and correct copy of the minutes of the City Council meeting(s) of December 17, 2019 as approved by the El Cerrito City Council.

Holly M. Charléty, MMC, City Clerk

EL CERRITO CITY COUNCIL DRAFT MINUTES

**SPECIAL CITY COUNCIL MEETING (not televised)
JANUARY 7, 2020 – 6:00 p.m.
Hillside Conference Room**

Meeting Location:
El Cerrito City Hall
10890 San Pablo Avenue, El Cerrito

6:00 P.M. ROLL CALL - CONVENE SPECIAL CITY COUNCIL MEETING

Mayor Lyman called the meeting to order at 6:02 p.m.

Present: Mayor Lyman; Mayor Pro Tem Fadelli, Councilmember Pardue-Okimoto, Councilmember Quinto **Absent:** Councilmember Abelson

1. ORAL COMMUNICATIONS FROM THE PUBLIC – None

3. URBAN FOREST COMMITTEE REAPPOINTMENT (heard out of order)

Proposed Action: Approve an Urban Forest Committee recommendation to reappoint Mary Torrusio and Robert Hrubes to the Urban Forest Committee, effective January 7, 2020.

Contact: Stephen Prée, Environmental Programs Manager/City Arborist; Will Provost, Acting Operations + Environmental Services Manager; Yvetteh Ortiz, Public Works Director/City Engineer, Public Works Department

Moved/Seconded: Councilmember Pardue-Okimoto/Councilmember Quinto

Action: Passed a motion to 1) re-appoint Mary Torrusio to the Urban Forest Committee for a second full term of 3/1/2020 – 3/1/2024, and 2) re-appoint Robert Hrubes to the Urban Forest Committee for a second full term of 1/1/2020 – 3/1/2024. **Ayes:** Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Pardue-Okimoto, Councilmember Quinto **Noes:** None **Absent:** Councilmember Abelson

2. COMMISSION INTERVIEWS, STATUS AND APPOINTMENTS

Action Proposed: Staff requests that City Council conduct interviews and, at the conclusion of interviews, confer with staff regarding the ongoing recruitments, any remaining vacancies, and the scheduling of further special meetings to conduct interviews (if applicable). Council may decide to make appointments at the conclusion of the meeting.

Contact: Holly M. Charléty, City Clerk, City Management

Action: The City Council conducted eight interviews and made the following appointments:

Name	Advisory Body	Term
Ann Weins	Arts and Culture Commission	1 st Full Term 3/1/2020 – 3/1/2024
Ruth Cazden	Arts and Culture Commission	2 nd Full Term 3/1/2020 – 3/1/2024
Matt Kelly	Citizens Street Oversight Committee	2 nd Full Term 3/1/2020 – 3/1/2024
Norman La Force	Park and Recreation Commission	2 nd Full Term 3/1/2020 – 3/1/2024
Dick Patterson	Financial Advisory Board	2 nd Full Term 3/1/2020 – 3/1/2024
Gyanendra Singh	Design Review Board	Partial Term 1/8/2020 – 3/1/2021
Brenden Bloom	Planning Commission	2 nd Full Term 3/1/2020 – 3/1/2024

Ayes: Mayor Lyman, Mayor Pro Tem Fadelli, Councilmember Pardue-Okimoto, Councilmember Quinto **Noes:** None **Absent:** Councilmember Abelson.

4. ADJOURN 6:00 SPECIAL CITY COUNCIL MEETING

The meeting adjourned at 8:56 p.m.

EL CERRITO CITY COUNCIL PROCLAMATION
Recognizing February as Black History Month in the City of El Cerrito

WHEREAS, much of the City of El Cerrito's honor, strength and distinction can be attributed to the diversity of cultures and traditions that are celebrated by our residents; and

WHEREAS, African Americans have played a significant role in the history of our nation and California's economic, cultural, spiritual, and political development while working tirelessly to promote their culture and history; and

WHEREAS, as a result of their determination, hard work, and perseverance, African Americans have made valuable and lasting contributions to our community and our state, achieving exceptional success in all aspects of society including business, education, politics, science, and the arts; and

WHEREAS, in 1976, Black History Month was formally adopted to honor and affirm the importance of Black History throughout our American experience, and is full of individuals who took a stance against prejudice, advanced the cause of civil rights, strengthened families, communities, and our nation; and

WHEREAS, all Americans are encouraged to reflect on past successes and challenges of African Americans and look to the future to improve society so that we live up to the ideals of freedom, equality, and justice.

NOW THEREFORE, the City Council of the City of El Cerrito does hereby declare February as Black History Month in the City of El Cerrito, and invites everyone to recognize this month to celebrate the diversity and character of our community and highlight the importance of sharing our culture, customs and traditions with those around us.

Dated: February 4, 2020

Gregory B. Lyman, Mayor

EL CERRITO CITY COUNCIL PROCLAMATION
Recognizing the Cultural and Historical Significance of
Lunar New Year in the City of El Cerrito

WHEREAS, Lunar New Year begins on the second new moon following the winter solstice, or the first day of the new year according to the lunisolar calendar, and extends until the full moon 15 days later; and

WHEREAS, January 25, 2020, marks the first day of Lunar New Year for calendar year 2019; and

WHEREAS, Lunar New Year began in China more than 4,000 years ago and is widely celebrated in East and Southeast Asia; and

WHEREAS, Lunar New Year is often referred to as Spring Festival in various Asian countries; and

WHEREAS, the Asian diaspora has expanded the Lunar New Year celebration into an annual worldwide event; and

WHEREAS, Lunar New Year is celebrated by Asian Americans and many non-Asian Americans in El Cerrito and throughout California and the entire United States; and

WHEREAS, participants celebrating Lunar New Year travel to spend the holiday reuniting with family and friends, enjoying community activities and cultural performances; and

WHEREAS, Lunar New Year is traditionally a time to wish others good fortune, health, prosperity, and happiness.

NOW THEREFORE, the City of El Cerrito recognizes the cultural and historical significance of Lunar New Year; in observance of Lunar New Year, expresses its deepest respect for Asian Americans and all individuals in El Cerrito and throughout the world who celebrate this significant occasion; and wishes Asian Americans and all individuals who observe this holiday a happy and prosperous new year.

Dated: February 4, 2020

Gregory B. Lyman, Mayor



AGENDA BILL

Agenda Item No. 4.D.

Date: February 4, 2020
To: El Cerrito City Council
From: Jennifer Peat, Management Assistant/EDC Staff Liaison
Melanie Mintz, Community Development Director, Community
Development Department
Subject: Economic Development Committee Appointment

ACTION PROPOSED

Approve an Economic Development Committee recommendation to appoint Rachel Melby to the Economic Development Committee, effective February 4, 2020.

BACKGROUND/ANALYSIS

An application to be appointed to the Economic Development Committee (EDC) was recently received from Rachel Melby, who has attended three meetings of the Economic Development Committee. During the regular Committee meeting on January 15, 2020 the Committee voted unanimously to recommend to the Council that Rachel Melby be appointed to the Economic Development Committee.

Rachel has lived in El Cerrito for six years and is a self-employed marketing consultant at Catchfoot + Run, LLC. Rachel would like to help build community and grow commerce in El Cerrito by helping to attract high quality businesses, restaurants and boutique shopping in the area.

If the City Council approves this recommendation, the number of Committee members will be 9. Resolution 2013-66 establishes the maximum committee size at 15.

STRATEGIC PLAN CONSIDERATIONS

This section is not applicable to this agenda item.

ENVIRONMENTAL CONSIDERATIONS

This section is not applicable to this agenda item.

FINANCIAL CONSIDERATIONS

This section is not applicable to this agenda item.

LEGAL CONSIDERATIONS

This section is not applicable to this agenda item.

Reviewed by:

A handwritten signature in blue ink, appearing to read "Karen Pinkos".

Karen Pinkos, City Manager

Attachments:

Application(s) on file with the City Clerk



AGENDA BILL

Agenda Item No. 4.E.

Date: February 4, 2020
To: El Cerrito City Council
From: Shannon Collins, Finance Supervisor, Finance Department
Subject: MUFG Union Bank Funds Transfer Authorization of Signatories

ACTION PROPOSED

Adopt a resolution authorizing the listed signatories as included on the attached MUFG Union Bank Funds Transfer Authorization Form.

BACKGROUND

The City of El Cerrito holds four accounts with MUFG Union Bank ("Bank"). Staff received a letter from the Bank informing the City of a change in Bank procedures and requirements to provide greater security for future funds transfers for the City's accounts.

ANALYSIS

As the Bank continues to further protect the security of funds and sensitive account information, they have implemented new procedures including new documentation requirements in the way that fund transfers including ACH payments and disbursements are initiated from or to the Bank. This new procedure is summarized in the Bank's "Master Funds Transfer Agreement and Security Statement" and is supplemented with the attached "Funds Transfer Authorization Form". The attached "Funds Transfer Authorization Form" updates the City Manager signatory to Karen Pinkos, and the form requires the City Council to adopt a resolution approving and authorizing the listed signatories.

STRATEGIC PLAN CONSIDERATIONS

The recommended action supports Goal B of the City's Strategic Plan to "Achieve long-term financial sustainability".

ENVIRONMENTAL CONSIDERATIONS

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

FINANCIAL CONSIDERATIONS

No direct financial considerations are noted, as this item will simply address controls around access and authorization for required funds transfers to the City's MUFG Union Bank accounts.

LEGAL CONSIDERATIONS

The City Attorney has reviewed the resolution and found that legal considerations have been addressed.

Reviewed by:

A handwritten signature in blue ink, appearing to read "Karen Pinkos".

Karen Pinkos, City Manager

Attachments:

1. Resolution
2. Exhibit A to Resolution

RESOLUTION 2020-XX

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL CERRITO
AUTHORIZING THE LISTED SIGNATORIES ON THE UNION BANK FUNDS
TRANSFER AUTHORIZATION FORM

WHEREAS, it is in the best interest of the City of El Cerrito ("City") to arrange for the transfer of deposited funds of City other than by check or draft; and

WHEREAS, MUFG Union Bank, N.A. ("Bank") provides automated clearing house ("ACH"), wire transfer, and comparable funds transfer services.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of El Cerrito that the individuals listed as "Authorized Signer(s)" in the "Agree to Terms" section of the attached Funds Transfer Authorization form (Exhibit A), are hereby authorized to enter into or change any agreement with the Bank relating to and directing the transfer of funds from the City's accounts, whether in person, in writing, or by means of telephone, electric transmission, or facsimile, and are further authorized to add or delete designated account and Authorized Representatives who may initiate funds transfers and receive call backs and advices; and

BE IT FURTHER RESOLVED that this authorization is in addition to any other authorizations in effect and will remain in force until the Bank receives written notice of revocation at the address and manner designated by the Bank; and

BE IT FURTHER RESOLVED that the individuals listed as "Authorized Signer(s)" in the "Agree to Terms" section of Exhibit A, are hereby authorized, directed and empowered for and on behalf of and in the name of the City to perform or cause to be performed all further acts and execute and deliver all further instruments which the Bank may deem necessary to carry out the purposes of this resolution; and

BE IT FURTHER RESOLVED, that the City Clerk is hereby authorized and directed to execute, acknowledge and deliver from time to time certified copies of resolutions to the Bank and any other person or agency which may require copies of resolutions and that the certification of the City Clerk as to the signatures of the above named officers will be binding on the City; and

BE IT FURTHER RESOLVED that this resolution shall become effective immediately upon passage and adoption.

I CERTIFY that at a regular meeting on February 4, 2020 the City Council of the City of El Cerrito passed this Resolution by the following vote:

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSTAIN:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:

IN WITNESS of this action, I sign this document and affix the corporate seal of the City of El Cerrito on February _____, 2020.

Holly M. Charléty, City Clerk

APPROVED:

Gregory B. Lyman, Mayor

CLIENT NAME CITY OF EL CERRITO AND SUCCESSOR AGENCY TO THE EL CERRITO RDA	DATE 01/09/2020
---	---------------------------

1. Client Information

The undersigned ("Client", "you", or "your") and MUFG Union Bank, N.A. ("Bank") agree that the Bank will provide funds transfer services according to the terms of the Master Funds Transfer Agreement and Security Procedures -Global Trust Services (Form 02491-GTS), and as specified below in this Funds Transfer Authorization (the "Funds Transfer Authorization").

ADDRESS AS IT APPEARS ON YOUR ACCOUNT 10890 SAN PABLO AVENUE	CITY EL CERRITO	STATE/COUNTRY CA USA	ZIP CODE 94530
PRIMARY PHONE NUMBER 510-215-4312	FACSIMILE PHONE NUMBER 510-215-4374		

2. List of Accounts

Designate all accounts you wish to use for funds transfers (line out all unused lines).

Account Number(s)	Account Name(s)
^{1.} 67120037XX	EL CERRITO PFA 2012 LEASE REV REF BONDS
^{2.} 67121766XX	SUC AGENCY EL CERRITO RDA 2016A & 2016B TARBS
^{3.} 67121851XX	EL CERRITO 2017 SALES TAX REV REF BONDS
^{4.} 67121852XX	EL CERRITO 2017 COPS (2006 CITY HALL REF)

Does this Funds Transfer Authorization apply to all current and future sub-accounts with the same authorized signers that are created under the umbrella of the current account agreement? ☐ Yes ☐ No

3. Funds Transfer Method

Requests for funds transfers are subject to the security procedures and other terms and conditions set forth in the Master Funds Transfer Agreement and Security Procedures -- Global Trust Services (Form 02491-GTS) and as set forth in this Funds Transfer Authorization.

Initiation Type (select one or more)

- ☐ In Person
 ☒ Facsimile
 ☒ Written (by Mail)
 ☐ SWIFT
 ☐ Telephone (Only Available to Portal Customers)
- ☐ Email (Instructions received via the Online Business Center or PDF document attached to the email (password protected document preferred for data security))

Transmission. Please Specify Transmission Type (if applicable):

4. Authorized Representatives (line out all unused lines)

Complete this section to designate the individuals who are authorized to initiate funds transfers and receive callbacks pursuant to this Funds Transfer Authorization (the "Authorized Representative(s)"). You agree that we may monitor or record telephone conversations with you and your Authorized Representatives.

Authorized Representative (Print Name)	Signature	Call Back Telephone Number	Individual Dollar Limit (if blank, then it is unlimited)
^{1.} MARK RASIAH	x	510-215-4312	
^{2.} KAREN PINKOS	x	510-215-4301	
^{3.}	x		
^{4.}	x		
^{5.}	x		

☐ See attached list of additional authorized signers (if applicable).

If there is only one Authorized Representative, please complete a callback variance letter, provided separately.

CLIENT NAME CITY OF EL CERRITO AND SUCCESSOR AGENCY TO THE EL CERRITO RDA	DATE 01/09/2020
---	---------------------------

4. Authorized Representatives (continued)

Complete the following section to designate the authorized signers for a Third Party Entity as additional Authorized Representatives to initiate funds transfers and receive callbacks. By designating a Third Party Entity in this section, Client hereby authorizes Bank to refer to the list of authorized signers for the designated Third Party on file with the Bank as of the date of receipt of each funds transfer request.

NAME OF DESIGNATED THIRD PARTY ENTITY	TELEPHONE NUMBER	☐ N/A
---------------------------------------	------------------	------------------------------

5. Agree to Terms

Owners and Individuals with authority over Client's Account(s) Should Complete This Section (line out unused lines).

By signing here, each person agrees to the terms and conditions contained in the Master Funds Transfer Agreement and Security Procedures--Global Trust Services and declares under penalty of perjury that the following is true and correct: (1) I am authorized to make this declaration and hold the position (if any) listed next to my name; (2) Each person listed as an Authorized Signer in this "Agree To Terms" section has authority to enter into or change any agreement with the Bank relating to funds transfers on behalf of Client including, but not limited to, authority to add or delete Authorized Representatives and designated accounts; (3) No other person's authorization is necessary to bind the Client for purposes of funds transfers; (4) This Funds Transfer Authorization supersedes and replaces all prior Funds Transfer Authorizations already in effect, but shall not be deemed to supersede existing standing instructions related to the account(s); (5) You agree that we may monitor or record our telephone conversations with you and your Authorized Representatives.

Authorized Signer (Printed Name)	Signature	Title
MARK RASIAH		FINANCE DIRECTOR/TREASURER
KAREN PINKOS		CITY MANAGER

6. Resolution and Certification

The following Resolutions are provided by the Secretary of: Corporations, Board of Trustees, Unincorporated Associations, or Other Entities.

RESOLVED, that the individual(s) listed as an "Authorized Signer" in the "Agree to Terms" section of this Funds Transfer Authorization are hereby authorized to enter into or change any agreement with MUFG Union Bank, N.A. ("Bank") relating to and directing the transfer of funds from the account(s) of the Client, whether in person, in writing, or by means of telephone, electronic transmission, or facsimile, and are further authorized to add or delete designated accounts and Authorized Representatives who may initiate funds transfers and receive callbacks and advices;

FURTHER RESOLVED, that this authorization is in addition to any other authorizations in effect and will remain in force until the Bank receives written notice of revocation at the address and manner designated by the Bank;

CERTIFICATION: I certify that: (1) I am the Secretary or Assistant Secretary of the Client's or Client's Board of Trustees or member of an unincorporated association or other entity; (2) the resolution printed above is a complete and accurate copy of a resolution duly adopted by the Client's Board of Directors or by the Client's members (if unincorporated) or Board of Trustees; (3) the resolution is in full force and has not been revoked or changed.

Certified By Secretary or Designee of: Corporation; Board of Trustees; Unincorporated Association; or Other Entity

SIGNATURE	NAME	DATE
-----------	------	------

☐ In place of the Resolution and Certification in this Section 6, please refer instead to the Board Resolution provided to MUFG Union Bank, N.A. on _____.

Accepted by MUFG Union Bank, N.A.

SIGNATURE	NAME	DATE
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AGENDA BILL

Agenda Item No. 4.F.

Date: February 4, 2020
To: El Cerrito City Council
From: Mark Rasiah, Finance Director/Treasurer, Finance Department
Subject: Quarterly Cash and Investment Report

ACTION PROPOSED

Receive and file the City's Quarterly Investment Report for the Quarter ending December 31, 2019.

BACKGROUND

It is the policy of the City of El Cerrito ("City"), to invest public funds in a manner which provides for safety of principal while providing enough liquidity to cover the City's short and long-term needs while generating the appropriate yield. All investment activity will conform to the California Government Code, Sections 53601 through 53659.

ANALYSIS

The Quarterly Investment Report for October 1, 2019 to September 30, 2019 shows that the City's investments had a par value of \$6,367,490 as of December 30, 2019. The City continues to have minimal investments that are not required for debt service reserves and to have limited, if any, interest earnings on restricted funds. Of the total amount invested, \$6,180,781 is invested in the pooled funds with the State Treasurer's Local Agency Investment Funds (LAIF) and \$186,709 is held in money market funds. Cash with Mechanics Bank was \$3,102,623. Total cash and investments were \$9,470,113. Of this amount, \$9,283,404 was available to meet operating expenses for the next six months.

STRATEGIC PLAN CONSIDERATIONS

The purpose of the City's Investment Policy is to provide guidelines for prudent investment of the City's idle funds and ensure policies, procedures and systems represent best practices in financial management (Goal B).

ENVIRONMENTAL CONSIDERATIONS

This section is not applicable to this agenda item.

FINANCIAL CONSIDERATIONS

During the quarter debt service payments for the Recycle Center, Streets and the Solar Lease payments were made totaling \$328,355. Investments in LAIF yielded a 2.04% rate of return during the quarter. The FAB has reviewed the Investment report and by action made, recommends that City Council receive and file it.

LEGAL CONSIDERATIONS

The City's investments comply with the "Authorized Investments" section of the Investment Policy.

Reviewed by:

A handwritten signature in blue ink, appearing to read "Karen Pinkos".

Karen Pinkos, City Manager

Attachments:

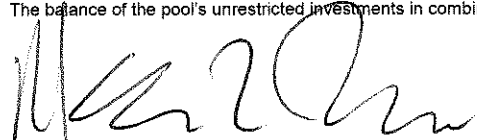
1. 2nd Quarter Investment Report FY 19-20

City of El Cerrito
Quarterly Cash & Investment Report
For the Period Ending December 31, 2019

Attachment 1

FUND	INVESTMENT TYPE	INVESTMENT	TRUSTEE/ BROKER	PAR VALUE	COST	INTEREST OR YIELD	MATURITY DATE	COST/ 100	*MARKET VALUE
Pooled Investments	Pooled Fund	Local Agency Investment Fund(LAIF)	CA State Treasurer	\$6,180,781	\$6,180,781	2.04%	N/A	100.00	\$6,180,781
Swim Center Fund	Blackrock Institutional Money Market	Union Bank/Blackrock Liquidity	Union Bank of CA	\$186,709	\$186,709	0.01%	N/A	100.00	\$186,709
				\$6,367,490	\$6,367,490				\$6,367,490
Cash with Bank (General Checking)	Mechanics Bank	N/A	N/A	\$3,102,623	\$3,102,623	N/A	N/A	N/A	\$3,102,623
Total Cash and Investments				\$9,470,113	\$9,470,113				\$9,470,113

I certify that this report is in compliance with the City of El Cerrito Investment Policy and the California Government Code Section 53646. The City has sufficient cash flow to meet the next six months of estimated expenditures as required by the Code. The balance of the pool's unrestricted investments in combination with anticipated operating cash inflows and the balance in the general checking account, will be used to meet the expenditure requirements for the next six months.



Mark Rasiah, Finance Director/City Treasurer



AGENDA BILL

Agenda Item No. 4.G.

Date: February 4, 2020
To: El Cerrito City Council
From: Maria Sanders, Operations + Environmental Services Division Manager
Yvetteh Ortiz, Public Works Director/City Engineer, Public Works
Department
Subject: Annual payment for El Cerrito's share of the West Contra Costa
Integrated Waste Management Authority operating expenses for
calendar year 2019

ACTION PROPOSED

Adopt a resolution authorizing payment for the City of El Cerrito's share of the West Contra Costa Integrated Waste Management Authority's operating expenses for calendar year 2019 in an amount not to exceed \$81,200.

BACKGROUND

The City of El Cerrito is a member of the West Contra Costa Integrated Waste Management Authority (Authority) and a party to the Joint Exercise of Powers Agreement (JEPA) that created the Authority in 1991. The Authority, commonly known as RecycleMore, provides a variety of services to its member agencies (El Cerrito, Richmond, San Pablo, Pinole, Hercules, and the unincorporated areas of West County). The services provided by the Authority include management and administration of State mandated AB 939 (California Integrated Waste Management Act), AB 341 (Mandatory Commercial Recycling), AB 1826 (Mandatory Commercial Organics Recycling), and SB 1383 (Short-Lived Climate Pollutants: Organic Waste Methane Emissions Reductions) reporting; regional household hazardous waste (HHW) collection programs; auditing and regulatory compliance due diligence of Republic Services for post-collection (processing and disposal) services; and other outreach and education to residents, businesses, schools, and community groups. The Fifth Amended and Restated JEPA was approved by the El Cerrito City Council in September 2019 (Resolution 2019-56).

Historically, the City and all other Authority member agencies funded Authority operating expenses via a portion of the Integrated Resource Recovery Facility (IRRF) Fees that were set by the Authority and charged on garbage bills paid by residents and businesses. However, with the December 31, 2013 expiration of the Integrated Resource Recovery Agreement, the Authority ceased setting IRRF Fees as of January 1, 2014. While other Authority members included a mechanism to fund Authority operating expenses in their newly negotiated post-collection agreements with Republic Services, the City's adopted Post-Collection Agreement with Republic Services (Resolution No. 2013-54) is silent on such a mechanism, thereby providing the City with

several options in paying its share of Authority expenses.

In 2014, the El Cerrito City Council began authorizing on an annual basis payment of El Cerrito's share of Authority operating expenses through the City's Integrated Waste Management (IWM) Fund, rather than from fees collected and remitted by Republic Services directly to the Authority. Because both the Authority fees and the City's IWM fees are set on a calendar year basis (January to December), El Cerrito pays for Authority fees upon the conclusion of the calendar year.

ANALYSIS

The City's share of the Authority budget is based on a price per ton of El Cerrito waste processed through the Golden Bear Transfer Station, a Republic Services facility. This cost is the same as this price per ton paid by other Authority member agencies through their post-collection agreements, as established each calendar year by the Authority Board during its rate setting process. In 2019, the Authority rate was set at \$6.44 per ton. Using this rate and estimated tons of El Cerrito waste for 2019, the payments for 2019 are estimated to amount to \$81,144 (12,600 tons of processed waste at \$6.44 per ton). The City expects to receive a final waste tonnage report for calendar year 2019 in March 2020 and will finalize its payment to the Authority after that time.

STRATEGIC PLAN CONSIDERATIONS

Approval of the payment to the Authority is consistent with Goal F - *Foster environmental sustainability citywide* of the City's Strategic Plan. Specifically, approval of the payment will result in the continuation of waste diversion and reduction programs provided to the City by the Authority, which is consistent with the "Reducing the amount of waste generated in El Cerrito" strategy under Goal F.

ENVIRONMENTAL CONSIDERATIONS

Approval of the payment will allow the continuation of waste diversion and reduction programs currently provided to El Cerrito by the Authority.

FINANCIAL CONSIDERATIONS

Funding of \$81,200 for payment of El Cerrito's share to the Authority's 2019 annual operating expenses was approved as part of the Adopted Fiscal Year 2019-20 Budget, as an allocation from the Integrated Waste Management Fund.

Per the City's 2020 solid waste collection and post-collection rate setting held on December 17, 2019, Authority fees for the upcoming 2020 calendar year will instead be paid through post-collection rates and remitted by Republic Services directly to the Authority.

LEGAL CONSIDERATIONS

The City Attorney has reviewed the proposed action and found that legal considerations have been addressed.

Reviewed by:

A handwritten signature in blue ink, appearing to read "Karen Pinkos".

Karen Pinkos, City Manager

Attachments:

1. Resolution

RESOLUTION 2020-XX

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL CERRITO AUTHORIZING PAYMENT FOR THE CITY OF EL CERRITO'S SHARE OF THE WEST CONTRA COSTA INTEGRATED WASTE MANAGEMENT AUTHORITY'S OPERATING EXPENSES FOR CALENDAR YEAR 2019 IN AN AMOUNT NOT TO EXCEED \$81,200

WHEREAS, the City of El Cerrito (City) is a member of the West Contra Costa Integrated Waste Management Authority (Authority) and a party to the Joint Exercise of Powers Agreement that created the Authority in 1991; and

WHEREAS, the City and all other parties to the Joint Exercise of Powers Agreement historically funded Authority operating expenses via a portion of the Integrated Resource Recovery Facility (IRRF) Fees that were set by the Authority and charged on garbage bills paid by residents and businesses; and

WHEREAS, with the expiration of the Integrated Resource Recovery Agreement on December 31, 2013, the Authority ceased setting IRRF Fees, effective January 1, 2014; and

WHEREAS, the City did not include a mechanism to pay its share of Authority operating expenses as a part of its Post-Collection Agreement with Republic Services approved via Resolution No. 2013-54, thereby providing the City with several options to pay its share of Authority expenses; and

WHEREAS, the City's share of the Authority's 2019 operating expenses is estimated to not exceed \$81,200; and

WHEREAS, funding is available in the Adopted Fiscal Year 2019-20 Budget in an allocation from the Integrated Waste Management Fund.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of El Cerrito that that it hereby authorizes payment for the City of El Cerrito's share of the West Contra Costa Integrated Waste Management Authority's operating expenses for calendar year 2019 in an amount not to exceed \$81,200.

BE IT FURTHER RESOLVED that this resolution shall become effective immediately upon passage and adoption.

I CERTIFY that at a regular meeting on February 4, 2020 the City Council of the City of El Cerrito passed this Resolution by the following vote:

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSTAIN:	COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

IN WITNESS of this action, I sign this document and affix the corporate seal of the City of El Cerrito on February _____, 2020.

Holly M. Charléty, City Clerk

APPROVED:

Gregory B. Lyman, Mayor

EL CERRITO CITY COUNCIL PROCLAMATION

Commending and Congratulating Detective Ryan Trac for his recognition by the Richmond Elks Lodge No. 1251 Police Officer Appreciation Program and for his selection as Officer of the Year

WHEREAS, Officer Ryan Trac assumed the position of Police Officer with the El Cerrito Police Department on August 26th, 2014; and

WHEREAS, Officer Ryan Trac was selected to join the El Cerrito Police Department Crime Scene Investigation team on March 28th, 2016; and

WHEREAS, Officer Ryan Trac became an advisor to the department Youth Explorer program in 2016; and

WHEREAS, Officer Ryan Trac was selected as a Field Training Officer, January 26, 2018; and

WHEREAS, Officer Ryan Trac was selected to join the Contra Costa County Mutual Aid Mobile Field Force team on February 8th, 2018; and

WHEREAS, Officer Ryan Trac earned a position in a specialty assignment as a Traffic Officer on September 9th, 2018; and

WHEREAS, Officer Ryan Trac graduated from the Inner Perspectives Leadership Development Program on May 21, 2019; and

WHEREAS, Officer Ryan Trac earned a position in a specialty assignment as a Detective in the Investigations Bureau on January 6, 2020; and

WHEREAS, Officer Ryan Trac has displayed his dedication to the community of El Cerrito and his fellow Law Enforcement Professionals by working tirelessly to enhance public trust, train new and future officers, and bring criminals to justice. Officer Trac possesses a commendable work ethic and through his performance during the year, has indeed been exemplary, and has been selected by his peers for special recognition.

NOW THEREFORE, the City Council of the City of El Cerrito does hereby commend and congratulate Detective Ryan Trac on the occasion of his recognition by the Richmond Elks Lodge No. 1251 – Police Officer Appreciation Night. The City Council extends sincere appreciation to Officer Ryan Trac for his devotion to the mission, vision and values of the El Cerrito Police Department.

Dated: February 4, 2020

Gregory B. Lyman, Mayor

EL CERRITO CITY COUNCIL PROCLAMATION
Commending and Congratulating Records Specialist Veronica Ceja for her
recognition as the Professional Staff Person of the Year for 2019

WHEREAS, Records Specialist Veronica Ceja assumed the position of Records Specialist with the El Cerrito Police Department on November 27, 2017; and

WHEREAS, Records Specialist Ceja was cross trained as a Property & Evidence Specialist; and

WHEREAS, Records Specialist Ceja assumed the duties as the Property & Evidence Specialist several times since 2018, and performed the associated job duties in an exemplary manner; and

WHEREAS, Records Specialist Ceja was selected as a Training Officer for new Records Specialists in March 2019; and

WHEREAS, Records Specialist Ceja was selected as the department's coordinator for the California Law Enforcement Telecommunications System (CLETS) in March 2019; and

WHEREAS, Records Specialist Ceja has displayed her dedication to the community of El Cerrito and her fellow Law Enforcement Professionals by working tirelessly to assist department staff, to assist and provide information to the public, train new records specialists, and helping bring criminals to justice through her detailed and comprehensive work as a Property & Evidence Specialist. Records Specialist Ceja possesses a commendable work ethic and through her performance during the year, has indeed been exemplary, and has been selected by her supervisors as the Professional Staff Person of the Year for 2019.

NOW THEREFORE, the City Council of the City of El Cerrito does hereby commend and congratulate Records Specialist Veronica Ceja as the Professional Staff Person of the Year for the El Cerrito Police Department. The City Council extends sincere appreciation to Records Specialist Ceja for her devotion to the mission, vision and values of the El Cerrito Police Department.

Dated: February 4, 2020

Gregory B. Lyman, Mayor

EL CERRITO CITY COUNCIL PROCLAMATION
Commending and Congratulating Explorer Vivian Bocanegra for her selection as
Volunteer of the Year

WHEREAS, Vivian Bocanegra joined the El Cerrito Police Department Explorer Post on March 5, 2018; and

WHEREAS, Vivian Bocanegra demonstrated tenacity and dedication by attending all meetings and training, including the Explorer Academy; and

WHEREAS, Vivian Bocanegra performed admirably at the 2019 Central Valley Explorer Competition; and

WHEREAS, Vivian Bocanegra excels at public speaking, physical fitness, and as a role model to other Explorers; and

WHEREAS, Vivian Bocanegra has been assigned as an Explorer leader; and

WHEREAS, Vivian Bocanegra has displayed dedication to the community and hopefully future employment in the public service, she has been selected by her Explorer Advisors for special recognition.

NOW THEREFORE, the City Council of the City of El Cerrito does hereby commend and congratulate Explorer Vivian Bocanegra on the occasion of her recognition. The City Council extends sincere appreciation to Vivian Bocanegra for her devotion to the mission, vision and values of the El Cerrito Police Department.

Dated: February 4, 2020

Gregory B. Lyman, Mayor



1

WHAT IS MEASURE R?

\$575 million bond to repair, upgrade neighborhood schools; modernize core classrooms; provide safe, secure school environments, including updated technology and air conditioning

MEASURE R 

2

NEEDS



MEASURE R 

3

NEEDS



MEASURE R 

4

PRIORITY SCHOOLS

Stege Elementary School
 Highland Elementary School
 Valley View Elementary School
 Grant Elementary School
 Richmond High School
 Shannon Elementary School
 Olinda Elementary School
 Fairmont Elementary School
 Crespi Middle School
 Collins Elementary School

Kennedy High School
 Riverside Elementary School
 Chavez Elementary School
 Hercules Middle School
 Hercules High School
 Ohlone Elementary School
 Cameron School
 Alvarado Adult School
 Serra Adult School

MEASURE R



5

COST

6¢ per \$100 (\$60 per \$100,000) of assessed value (AV)

*\$300,900 AV = \$180.54 a year or \$15.05 per month

*Median assessed value in WCCUSD

MEASURE R



6

BOND SUNSET DATES

Measure E (1998) – 2025
\$40 Million

Measure J (2005) – 2036*
\$400 Million

Measure M (2000) – 2031
\$150 Million

Measure D (2010) – 2055
\$380 Million

Measure D (2002) – 2034
\$300 Million

Measure E (2012) – 2054
\$360 Million

MEASURE R 

7

CONSTRUCTION PROJECTS

Out of 53 campuses, 16 have been built or rebuilt; 28 schools have been renovated.
In total, 44 schools (83%) have been renovated or rebuilt since 1998.

MILLIONS	SCHOOL	MILLIONS	SCHOOL	MILLIONS	SCHOOL
\$22.6	Harding	*\$44.1	Wilson	\$43	Coronado
\$19.3	Kensington	\$16.7	Montalvin	\$83.4	Helms
\$12.2	Madera	\$30.8	Ford	\$56.6	Pinole MS
\$15.3	Washington	\$45.4	Nystrom	\$132.2	De Anza
\$72.6	Korematsu	\$34.5	Ohlone	\$79.5	Greenwood
\$146.8	El Cerrito	\$21.4	Peres	\$189	Pinole Valley

MEASURE R 

8

CONSTRUCTION PROJECTS

Schools that haven't been rebuilt have had significant investments.

Kennedy - \$33.8 million (science wing, health center)

Richmond - \$22.9 million (stadium, small gym, health center)

Crespi - \$3.3 million (gym renovations)

Washington - \$15 million

Valley View - \$10 million

BOND-SUPPORTED PROJECTS



BOND-SUPPORTED PROJECTS



MEASURE R 

11

MORE INFORMATION

www.wccusd.net/MeasureR

www.wccusd.net/cboc

www.wccusd.net/Domain/40



12



AGENDA BILL

Agenda Item No. 7.A.

Date: February 4, 2020
To: El Cerrito City Council
From: Karen Pinkos, City Manager, City Management
Mark R Rasiah, Finance Director/City Treasurer, Finance Department
Subject: Long Term Financial Forecast and Budget Study Session

ACTION PROPOSED

Receive and file an update on the City's General Fund Long Term Financial Forecast (LTFF) and provide staff with directions on budget reductions for the FY 20-22 biennial budget.

BACKGROUND

In April 2017, City Council conducted a review of the General Fund Long Term Financial Forecast (Forecast) and provided guidance to Staff on the preparation of the current biennial FY 2018-19 and FY 2019-20 budget.

The General Fund Forecast is a high-level planning tool to help manage the City's financial resources over the long term. The Forecast establishes a framework to assist the City Council make informed financial decisions. The Council has historically been prudent in its management of the City's finances and takes a conservative approach to financial forecasting. This philosophy has allowed the City to avoid implementation of painful service reductions in the past.

Over the past several months, a number of variables impacting the Forecast have changed which have had a significant impact on the projections. This report provides an overview of the changes to the Forecast.

ANALYSIS

The Forecast is a dynamic tool that changes with economic or assumption shift. Staff is presenting the Forecast to City Council following several forecast modifications that have significantly altered the forecast. It is timely to consider these changes now as staff begins to develop the upcoming biennial FY 2020-21 and FY 2021-22 budget.

Key General Fund Forecast Changes

Overall, the Forecast is based on a few main assumptions (Attachment 2) as previously presented to City Council. However, the changes described below have impacted the forecast beginning in FY 2020 and are reflected in the Baseline Scenario (Attachment 1). The Baseline Scenario is summarized as follows:

(S000S)	Current		PROJECTIONS				
	Actuals	Budget					
	Draft CAFR	Amended	Forecast	Forecast	Forecast	Forecast	Forecast
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Revenues	39,354	39,965	41,781	42,998	44,265	45,449	46,684
Expenditures	40,202	39,562	41,946	43,666	45,222	46,715	48,248
Total other financing sources (uses)	(96)	234	209	209	(241)	(241)	(291)
Special Items	801						
Change in Fund Balance	(143)	637	44	(458)	(1,198)	(1,507)	(1,855)
Fund balance - July 1	87	(56)	581	625	167	(1,031)	(2,539)
Fund balance - June 30	(\$56)	\$581	625	167	(1,031)	(2,539)	(4,394)
GENERAL FUND RESERVE RATIO	-0.1%	1.5%	1.5%	0.4%	-2.3%	-5.4%	-9.1%

FY 2019 Year-End Results

FY 2019 ended with a General Fund total fund balance deficit of \$56,592. With FY2019 results now finalized, we are better able to project revenues for FY 2020 and subsequent years. Staff has reviewed both revenue and expenditure projections based on actual performance (less any one-time changes) and have made some minor modifications.

Property Tax and Sales Taxes

The previous Forecast had assumed Property Tax and Sales Tax growth rates of 6% and 2% respectively. With the recent decline in the median sale price of homes in the City by 0.5%, and based on FY 2019 results, the Property Tax Growth rate is being lowered to 5.5% and the Sales Tax growth rate to 1.0%.

Measure V Real Property Transfer Tax Revenue (RPTT)

Annual RPTT revenue of \$2.7 million was projected with the passage of Measure V in November 2018. However, revenues have been closer to \$2.0 to 2.2 million in the year since the inception of the tax. Therefore, the Forecast projects RPTT Revenue of \$2.5 million annually through FY 2025 instead of \$2.7 million. This new revenue source will be used primarily to fund public safety overtime costs which have been trending above \$1.5 million annually. The remainder will be used to build up General Fund reserves.

CalPERS retirement Contributions

Beginning in 2018, CalPERS retirement contributions for all Miscellaneous and Safety employees have increased significantly by more than the 3% annual increase assumption applied to all costs in the forecast. The Forecast incorporates the increases projected by CalPERS through 2025.

Redevelopment Agency Advance

Staff is proposing setting aside funds beginning in FY 2023-25, to be able to write off the General Fund advance to the Successor Agency that was used to repay the Department of

Finance claim which is under appeal, in case the appeal is denied.

FY 2020 Mid-Year Budget Amendments

Staff will be proposing mid-year budget reductions of \$500,000 for Property Taxes based on FY 2019 trends; a reduction of \$500,000 in Sales Taxes due to Cannabis tax collections not materializing as planned; \$500,000 reduction in various operating expenditures; and an increase in Public Safety overtime to be funded by an increase in Transfer Taxes.

STRATEGIC PLAN CONSIDERATIONS

This fiscal update is consistent with Strategic Plan Goal A: Deliver exemplary government services and Goal B: Achieve long-term financial sustainability.

ENVIRONMENTAL CONSIDERATIONS

This section is not applicable to this agenda item.

FINANCIAL CONSIDERATIONS

This item is informational, and no action is requested at this time.

LEGAL CONSIDERATIONS

This section is not applicable to this agenda item.

Reviewed by:

A handwritten signature in blue ink, appearing to read "Karen Pinkos".

Karen Pinkos, City Manager

Attachments:

1. Five-Year Forecast 2020 - 2025 Feb 2020 Baseline Scenario
2. LTFF ASSUMPTIONS

FY 2020-2025 Assumptions

Prop Tax Growth Rate	5.5%
Sales Tax/Other Tax Growth Rate	1%
Other Revenue Growth Rate	3%
Expenses Growth Rate	3%

GENERAL FUND FIVE YEAR FORECAST with TENTATIVE BUDGET AMENDMENTS FOR FY 2020

FY 19-20 Budget Changes

Property Taxes (-\$500k)	RPTT (+\$1,150k)
Sales Taxes (-\$500k)	Expenses (-\$500k)

DRAFT

Attachment 1

AUDITED ACTUALS

CURRENT

PROJECTIONS

	Actuals 2012-13	Actuals 2013-14	Actuals 2014-15	Actuals 2015-16	Actuals 2016-17	Actuals 2017-18	Draft CAFR 2018-19	Amended 2019-20	Forecast 2020-21	Forecast 2021-22	Forecast 2022-23	Forecast 2023-24	Forecast 2024-25
Revenues:													
Property taxes	\$5,414	\$6,191	\$6,805	\$7,908	\$8,832	\$9,487	\$9,931	\$10,440	\$11,014	\$11,620	\$12,259	\$12,933	\$13,645
Sales Taxes	\$5,150	\$5,361	\$5,056	\$5,750	\$6,145	\$6,458	\$7,545	\$7,100	\$7,171	\$7,243	\$7,315	\$7,388	\$7,462
Other non property Taxes	4,965	5,395	5,700	5,006	5,800	5,386	5,762	6,180	6,242	6,304	6,367	6,431	6,495
Real Property Transfer Tax							1,103	2,000	2,500	2,500	2,500	2,500	2,500
Licenses and permits	517	540	493	608	720	766	776	993	1,023	1,053	1,085	1,118	1,151
Fines and forfeitures	289	388	277	327	351	222	219	351	362	372	384	395	407
Use of money and property	317	290	350	312	346	374	157	396	408	420	433	446	459
Intergovernmental	3,544	3,461	4,036	3,622	3,623	4,116	4,091	3,727	3,839	3,954	4,073	4,195	4,321
VLF - HdL	1,775	1,696	1,995	1,935	2,340	2,499	2,654	2,760	2,862	2,987	3,116	3,116	3,116
Charges for services	4,451	4,781	4,275	4,391	5,741	6,099	6,934	5,933	6,111	6,294	6,483	6,678	6,878
Other revenues	289	146	119	768	578	377	182	85	250	250	250	250	250
Total revenues	26,711	28,249	29,106	30,627	34,476	35,784	39,354	39,965	41,781	42,998	44,265	45,449	46,684
Expenditures:													
General government:													
City Management	2,596	2,731	2,521	3,140	3,567	3,832	4,403	4,134	4,258	4,386	4,517	4,653	4,792
Financial services	1,150	1,236	1,207	1,219	1,360	1,416	1,531	1,421	1,464	1,508	1,553	1,599	1,647
Public works	711	518	642	1,117	1,443	1,674	1,967	2,016	2,076	2,139	2,203	2,269	2,337
Recreation	3,964	4,002	4,154	4,465	4,818	5,184	5,794	5,685	5,856	6,031	6,212	6,399	6,590
Community development	1,790	1,515	1,688	1,769	2,157	2,405	2,522	2,562	2,639	2,718	2,800	2,884	2,970
Public safety:	18,166	18,058	18,460	19,326	20,277	21,260	23,379	23,649	24,358	25,089	25,842	26,617	27,416
Fire additional O/T								300					
Pensions- Additional cost									1000	1500	1800	2000	2200
Capital outlay	140	105	135	183	46	277	344	165	165	165	165	165	165
Debt service:	44	88	91	93	203	202	262	130	130	130	130	130	130
Total expenditures	28,561	28,253	28,898	31,312	33,871	36,250	40,202	40,062	41,946	43,666	45,222	46,715	48,248
Budget Reductions								(500)					
Expenditures w/reductions								39,562	41,946	43,666	45,222	46,715	48,248
Excess of revenues over (under) expenditures	(1,850)	(4)	208	(685)	605	(466)	(848)	403	(165)	(667)	(957)	(1,266)	(1,564)
Emergency Reserves (EDRF)													
Issuance of debt	1,595												
Transfers in	1,059	804	901	897	55	51	1,118	940	915	915	915	915	915
Transfers out	(1,753)	(1,869)	(918)	(624)	(457)	(317)	(1,330)	(706)	(706)	(706)	(706)	(706)	(706)
Capital Leases/Debt writeoff							116				(450)	(450)	(450)
Total other financing sources (uses)	901	(1,065)	(17)	273	(402)	(266)	(96)	234	209	209	(241)	(241)	(241)
Net change in fund balance	(949)	(1,069)	191	(412)	203	(732)	(944)	637	44	(458)	(1,198)	(1,507)	(1,805)
Special Items/Deferred Revenue							801						
Fund balance - July 1	3,289	2,340	1,271	1,462	616	819	87	-56	581	625	167	-1,031	-2,539
Fund balance - June 30	\$2,340	\$1,271	\$1,462	\$1,050	\$819	\$87	(\$56)	\$581	625	167	(1,031)	(2,539)	(4,344)
FUND BAL/EXPENDITURES	8.2%	4.5%	5.1%	3.4%	2.4%	0.2%	-0.1%	1.5%	1.5%	0.4%	-2.3%	-5.4%	-9.0%

BUDGETED PERS CONTRIBUTIONS (\$000S)

4,986

5,920

6,669

6,869

7,075

7,287

7,506

7,731

REQUIRED PERS CONTRIBUTION

Pensions- Additional cost INCLUDED above

7,901

8,545

9,107

9,506

9,905

1,032

1,470

1,820

2,000

2,174

**2021-2025 General Fund Long Term Financial Forecast
ASSUMPTIONS – UPDATED Feb 2020**

General Assumptions

1. Prior year actuals and estimated FY 2019 (less one-time) form the baseline for projections
2. No new positions beyond those already budgeted for in FY 2020; salary savings targets are built into the forecast (vary by department)
3. No changes to service delivery
4. Transfers In & Out reflected in Forecast

Revenue Assumptions

1. Sales Tax
 - FY 2021 – 2025 based on sales tax consultant “conservative” analysis
 - Projects annual growth of 1.0%.
2. Property Tax
 - FY 2020 based on property tax consultant “most likely” analysis
 - FY 2021+ projects conservative annual growth of 5.5%
3. Other Taxes reflect annual growth of 3.0%
4. Department Revenues – 3% increase in FY 2021+

Operating Expense Assumptions

Personnel Costs

1. Wages – FY 2020 reflects current MOU changes, effective FY 2019 assumes 3% wage growth based on Bay Area 10-Year Consumer Price Index (CPI) average
2. Retirement – Pension cost increases pursuant to CalPERS and actuarial analysis
3. Medical – 3% annual growth based on estimate from City’s insurance broker and validated with Kaiser Foundation projections
4. Other Benefits – 3% growth based on Bay Area 10-Year CPI

Non-Personnel Costs

1. Generally, use Bay Area 10-Year CPI (3%)
2. Evaluate any specific expense categories for other recommended changes.
Growth Assumptions:
 - Utilities 3%; Repairs and Maintenance 3%; Professional Services and Other 3%
3. Infrastructure
 - Capital Investment Program (CIP) \$165,000 effective FY 2021
4. Reserve allocations are in compliance with existing Council policy:
 - Operating Reserve – target 10% of Operating Expenses
 - Emergency Reserve– \$6 million goal at \$500k per year



AGENDA BILL

Agenda Item No. 7.B.

Date: February 4, 2020
To: El Cerrito City Council
From: Shannon Collins, Finance Supervisor, Finance Department
Subject: Amending the Real Property Transfer Tax Collection Process (*Notice Published 1/25/2020*)

ACTION PROPOSED

It is recommended that the City Council 1) introduce by title and waive any further reading of an Ordinance amending Chapter 4.64 of the El Cerrito Municipal Code regarding administration of the Real Property Transfer Tax; and 2) adopt a resolution authorizing the City Manager to execute an agreement with the County of Contra Costa for collection of the Real Property Transfer Tax.

BACKGROUND/ANALYSIS

El Cerrito voters passed Measure V during the November 6, 2018 General Municipal Election. On December 4, 2018, the City Council declared and confirmed the results of the election, and adopted Ordinance No. 2018-03 which authorized a Tax on the Transfer of Real Property, and added Chapter 4.64 – Real Property Transfer Tax to the Municipal Code, as approved by the voters. The Real Property Transfer Tax (RPTT) became effective on January 14, 2019.

At the time of drafting, staff considered a collection process where the County of Contra Costa (County) would collect the RPTT on the City's behalf and then transfer payments to the City on a pre-determined schedule. Other local jurisdictions imposing real property transfer taxes have opted to use this County collection process. However, the process requires a 3% per transaction fee. Because of this, staff recommended that the City collect the RPTT directly and Ordinance No. 2018-03 was written accordingly.

The RPTT has been in effect for one year and in that time, staff have identified challenges in the City's collection of the tax. Specifically, staff lacks a mechanism to determine which transactions are subject to the RPTT and whether the correct tax amount has been paid. This challenge is exacerbated by the timing of the limited information the City receives. At present, information available for the City's verification of RPTT payments received is limited to: APN, property address, and information about the title company, the buyer and the seller. This information is described on the remittance advice when RPTT payments are submitted. The City is not informed of the sale amount nor the way in which title is held, so staff does not have the ability to verify whether a sale is in fact subject to the RPTT, whether any RPTT exceptions apply, and/or whether the correct RPTT amount has been paid.

Currently, staff receives a list from a consultant which describes the properties that closed escrow in the previous month. This list is provided as part of the tax reports the City already pays for, but it is not readily available to staff until at least 30 days after the close of escrow. Staff then compares this list to the RPTT payments received, to ensure all real property transactions are accounted for. However, when real property transactions are listed without a corresponding RPTT payment, staff does not have the ability to determine whether the sale is in fact subject to the RPTT and/or whether any RPTT exceptions apply. Further, this process requires City staff to act as a collection agent and follow up on any potential missed RPTT transactions, taking considerable time and effort. If the City retains the collection function, staff would have to first identify a way to determine whether a sale has taken place which is subject to the tax including the amount of the sale, then find and contact the new owner of the property to determine whether the tax has been paid in the correct amount (which is problematic because this tax is often shared by the buyer and seller), and then also contact the title company to collect the payment or receive proof that the correct payment was forwarded to the City.

The County is provided with all of the pertinent information (APN, property address, sale price, the names of the buyer, seller, title company handling the transaction, and the way in which the deed will be held), which enables them to verify the validity of the transactions subject to the RPTT, prior to the close of escrow. By having the County handle this collection process prior to the close of escrow, the City will be assured it is receiving the correct RPTT amount in a timely manner. Staff has determined that the effort involved in the accurate collection of the RPTT, as well as the potential risk of missed transactions, justifies the County's 3% transaction fee rather than handle the collection process by City staff.

To allow for the collection of RPTT by Contra Costa County, the City Council must amend Chapter 4.64 (Attachment 1). In order to facilitate the process, the City Council is also asked to pass a resolution (Attachment 2) authorizing the City Manager to enter into an agreement with the County to collect the RPTT, which will become effective at the same time the Ordinance is effective.

STRATEGIC PLAN CONSIDERATIONS

The recommended actions support Goal B of the City's Strategic Plan to "Achieve long-term financial sustainability".

ENVIRONMENTAL CONSIDERATIONS

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

FINANCIAL CONSIDERATIONS

Contra Costa County will charge a 3% administrative fee per transaction. It is estimated, based on the collection of the tax since January 14, 2019, that this annual cost will be approximately \$80,000, as shown in the following table:

January 18, 2019 – June 30, 2019	\$1,186,608.00
July 1, 2019 – January 16, 2020	\$1,481,634.00
Total Collected	\$2,668,242.00
<i>3% County Administrative Fee (had the County collected the above tax amounts)</i>	<i>-\$80,047.26**</i>
<i>Net Funds (had the County had collected the above tax amounts)</i>	<i>\$2,588,194.74**</i>

The actual amount of the County Administrative Fee will fluctuate dependent upon the tax collected each year.

LEGAL CONSIDERATIONS

Section 4.64.170 of the El Cerrito Municipal Code provides that any amendments that increase the tax rates, extend the tax, or impose the tax on persons not previously subject to the tax shall require approval by the voters of the City. However the City Council may otherwise amend Chapter 4.64 without submitting the amendment to the voters for approval. The proposed amendments in the attached ordinance will not increase the tax rate, extend the tax, or impose the tax on persons not previously subject to the tax; the City Council may therefore adopt these amendments without submitting the Ordinance to the voters.

Reviewed by:


Karen Pinkos, City Manager

Attachments:

1. Ordinance
2. Resolution

ORDINANCE NO. 2020-02

AN ORDINANCE OF THE CITY OF EL CERRITO AMENDING CHAPTER 4.64 OF THE EL CERRITO MUNICIPAL CODE CHAPTER REGARDING ADMINISTRATION OF THE REAL PROPERTY TRANSFER TAX

WHEREAS, the People of the City of El Cerrito approved a Real Property Transfer Tax (Ordinance 2018-03) at the November 6, 2018 general election; and

WHEREAS, the Real Property Transfer Tax (Ordinance 2018-03) was adopted by the declaration of the vote by the El Cerrito City Council on December 4, 2018; and

WHEREAS, the Real Property Transfer Tax (Ordinance 2018-03) added Chapter 4.64 to the El Cerrito Municipal Code; and

WHEREAS, Chapter 4.64 of the El Cerrito Municipal Code is structured such that the City of El Cerrito collects and administers the Real Property Transfer Tax; and

WHEREAS, the City now desires to allow the County of Contra Costa to collect the tax on the City's behalf; and

WHEREAS, Section 4.64.170 of the El Cerrito Municipal Code provides that any amendments that increase the tax rates, extend the tax, or impose the tax on persons not previously subject to the tax shall require approval by the voters of the City, however the City Council may otherwise amend Chapter 4.64 without submitting the amendment to the voters for approval; and

WHEREAS, the proposed amendments herein will not increase the tax rate, extend the tax, or impose the tax on persons not previously subject to the tax; and

WHEREAS, the City Council desires to amend Chapter 4.64 to allow the County of Contra Costa to collect the tax on behalf of the City.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF EL CERRITO DOES HEREBY ORDAIN as follows:

Section 1: Incorporation of Recitals. The City Council finds that the above Recitals are true and correct and are incorporated herein by reference.

Section 2: Section 4.64.030 of the El Cerrito Municipal Code is hereby amended as follows (additions shown in *italics* and deletions shown in ~~strikethrough~~):

4.64.030 Definitions

"Changes in control and ownership of legal entities" means any direct or indirect acquisition or transfer of ownership interest or control in a legal entity that constitutes a change in ownership or transfer of the real property of the entity under California Revenue and Taxation Code Section 64, as such statute reads and is interpreted by the California Department of Tax and Fee Administration.

"County assessor" means the county assessor of the County of Contra Costa.

"County recorder" means the office of the clerk-recorder of the County of Contra Costa.

"Person" and "persons" mean any natural person, receiver, administrator, executor, assignee, trustee in bankruptcy, trust, estate, firm, co-partnership, joint venture, club, company, joint stock company, business trust, limited liability company, municipal corporation, political subdivision of the State of California, domestic or foreign corporation, association, syndicate, society, or any group of individuals acting as a unit, whether mutual, cooperative, fraternal, nonprofit, or otherwise, and the United States or any instrumentality thereof. "Person" and "persons" also mean any natural person, who as an individual or with a spouse, owns fifty-one percent or more of the capital stock of a corporation obligated to file a declaration and pay tax pursuant to this chapter; and in addition, is a person with the power to control the fiscal decision-making process by which the corporation allocates funds to creditors in preference to its tax obligations under the provisions of this chapter. A person who is also an officer or director of a corporation obligated to file declarations and pay tax pursuant to this chapter shall be presumed to be a person with the power to control the fiscal decision-making process. Whenever the term "person" is used in any clause prescribing and imposing a penalty, the term as applied to association shall mean the owners or part owners thereof, and as applied to corporation, the officers thereof.

"Qualifying work" means the seismic upgrades and energy and water conservation projects listed in Section 4.64.080.

"Real property" and "realty" mean real property as defined by and under the laws of the State of California.

"Tax" means the tax authorized and imposed by this chapter.

"Tax administrator" means the finance director or ~~other city official~~ as otherwise designated by the city manager to administer the tax.

"Transfer of real property" means a sale, grant, assignment, transfer, or other conveyance of any lands, tenements, or other real property by deed, instrument, or other writing from a transferor to a transferee, or to a third person at or by the direction of transferee. "Transfer of real property" includes a change in control and ownership of a legal entity that results in a transfer of real property.

"Transferee" means a person to whom a transfer of real property is made.

"Transferor" means a person who makes a transfer of real property.

"Value of consideration" means the total consideration, valued in money of the United States, paid or delivered, or contracted to be paid or delivered in return for the transfer of real property, including the amount of any indebtedness existing immediately prior to the transfer which is secured by a lien, deed of trust or other encumbrance on the property conveyed and which continues to be secured by such lien, deed of trust or encumbrances after such transfer, and also including the amount of any indebtedness which is secured by a lien, deed of trust or

encumbrance given or placed upon the property in connection with the transfer to secure the payment of the purchase price or any part thereof which remains unpaid at the time of transfer. "Value of the consideration" also includes the amount of any special assessment levied or imposed upon the property by a public body, district or agency, where such special assessment is a lien or encumbrance on the property and the purchaser or transferee agrees to pay such special assessment or takes the property subject to the lien of such special assessment. The value of any lien or encumbrance of a type other than those which are hereinabove specifically included, existing immediately prior to the transfer and remaining after such transfer, shall not be included in determining the value of the consideration. If the "value of the consideration" cannot be definitely determined, or is left open to be fixed by future contingencies, "value of the consideration" shall be deemed to mean the fair market value of the property at the time of transfer, after deducting the amount of any lien or encumbrance, if any, of a type which would be excluded in determining the "value of the consideration" pursuant to the above provisions of this section. In the event that the asserted "value of consideration" for a transfer of real property is less than the fair market value, the tax administrator may assume that the "value of consideration" is the fair market value of the property but shall consider evidence submitted by the persons responsible for the paying the tax that the lower amount represents the price agreed upon as part of a valid arms-length transaction. By way of example only and without limiting the generality of the foregoing, a transfer of real property that is a gift, with the transferor transferring the real property to the transferee with no compensation and free and clear of liens and encumbrances, is a form of transfer of real property for which the value of consideration is less than the fair market value.

Section 3: Section 4.64.090 of the El Cerrito Municipal Code is hereby amended as follows (*additions shown in italics and deletions shown in strikethrough*):

4.64.090 Administration of Tax

The tax administrator shall collect *or cause to have collected* the tax imposed pursuant to this chapter and shall otherwise administer this chapter. The tax administrator may make such rules and regulations, not inconsistent with this chapter, as they may deem reasonably necessary or desirable to administer this article, as well as necessary forms and receipts.

Section 4: Severability. If any section, subsection, sentence, clause or phrase of this chapter is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this chapter. The city council hereby declares that it would have passed the ordinance codified in this chapter, and each and every section, subsection, sentence, clause or phrase not declared invalid or unconstitutional without regard to whether any portion of this chapter would be subsequently declared invalid or unconstitutional.

Section 5: Effective Date. This Ordinance shall take effect and be enforced thirty days after the date of its adoption. Prior to the expiration of fifteen days from the passage thereof, the ordinance or a summary thereof shall be posted or published as may be required by law, and thereafter the same shall be in full force and effect.

THE FOREGOING ORDINANCE was introduced at a regular meeting of the City Council on February 4, 2020 and passed by the following vote:

AYES:	Councilmembers
NOES:	Councilmembers
ABSENT:	Councilmembers
ABSTAIN:	Councilmembers

ADOPTED AND ORDERED published at a regular meeting of the City Council held on February 18, 2020 and passed by the following vote:

AYES:	Councilmembers
NOES:	Councilmembers
ABSENT:	Councilmembers
ABSTAIN:	Councilmembers

APPROVED:

Gregory B. Lyman, Mayor

ATTEST:

Holly M. Charléty, City Clerk

ORDINANCE CERTIFICATION

I, Holly M. Charléty, City Clerk of the City of El Cerrito, do hereby certify that this Ordinance is the true and correct original Ordinance No. 2020-02 of the City of El Cerrito; that said Ordinance was duly enacted and adopted by the City Council of the City of El Cerrito at a meeting of the City Council held on the 18th day of February, 2020; and that said Ordinance has been published and/or posted in the manner required by law.

WITNESS my hand and the Official Seal of the City of El Cerrito, California, this ____ day of March, 2020.

Holly M. Charléty, City Clerk

RESOLUTION 2020-XX

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL CERRITO AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH THE COUNTY OF CONTRA COSTA FOR THE COLLECTION OF THE EL CERRITO REAL PROPERTY TRANSFER TAX IMPOSED BY CHAPTER 4.64 OF THE EL CERRITO MUNICIPAL CODE

WHEREAS, the People of the City of El Cerrito approved a Real Property Transfer Tax (Ordinance 2018-03) at the November 6, 2018 general election; and

WHEREAS, the Real Property Transfer Tax (Ordinance 2018-03) was adopted by the declaration of the vote by the El Cerrito City Council on December 4, 2018; and

WHEREAS, the Real Property Transfer Tax (Ordinance 2018-03) added Chapter 4.64 to the El Cerrito Municipal Code; and

WHEREAS, Chapter 4.64 of the El Cerrito Municipal Code is structured such that the City of El Cerrito collects and administers the Real Property Transfer Tax; and

WHEREAS, the City now desires to allow the County of Contra Costa to collect the tax on the City's behalf; and

WHEREAS, on February 4, 2020, the City Council introduced an ordinance to amend Chapter 4.64 to allow the County of Contra Costa to collect the tax on behalf of the City; and

WHEREAS, Section 4.64.170 of the El Cerrito Municipal Code provides that any amendments that increase the tax rates, extend the tax, or impose the tax on persons not previously subject to the tax shall require approval by the voters of the City, however the City Council may otherwise amend Chapter 4.64 without submitting the amendment to the voters for approval; and

WHEREAS, the proposed amendments herein will not increase the tax rate, extend the tax, or impose the tax on persons not previously subject to the tax.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of El Cerrito that it hereby authorizes the City Manager to execute an agreement with the County of Contra Costa to collect the Real Property Transfer Tax on the City's behalf and take such action as is necessary to effectuate the intent of this Resolution.

BE IT FURTHER RESOLVED that this resolution shall become effective at the same time Ordinance 2020-02 becomes effective.

I CERTIFY that at a regular meeting on February 4, 2020 the City Council of the City of El Cerrito passed this Resolution by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSTAIN: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:

IN WITNESS of this action, I sign this document and affix the corporate seal of the City of El Cerrito on February _____, 2020.

Holly M. Charléty, City Clerk

APPROVED:

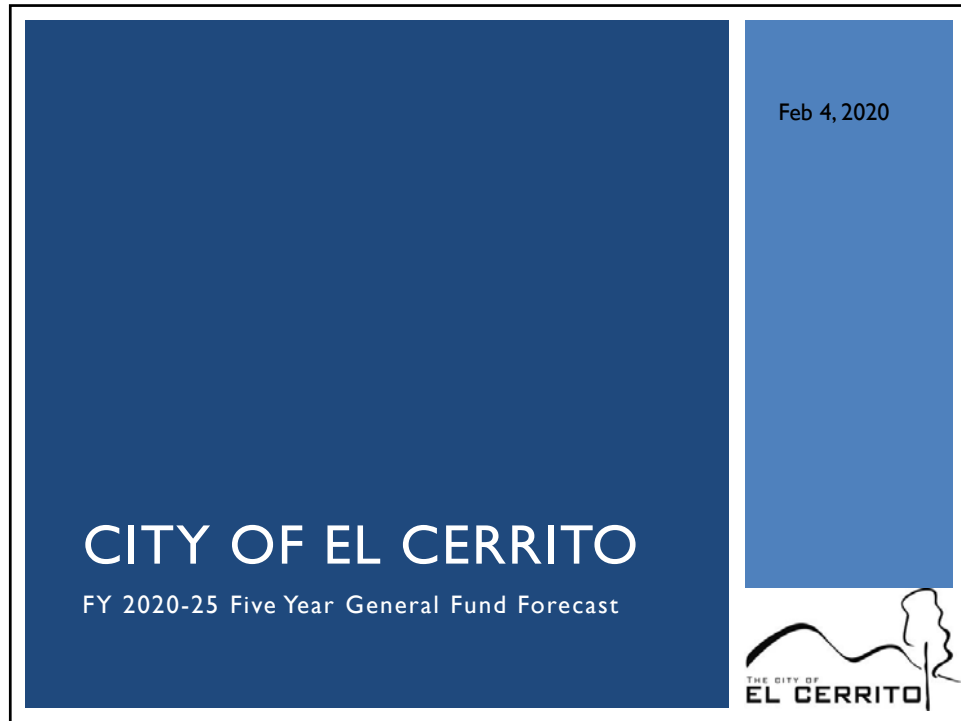
Gregory B. Lyman, Mayor



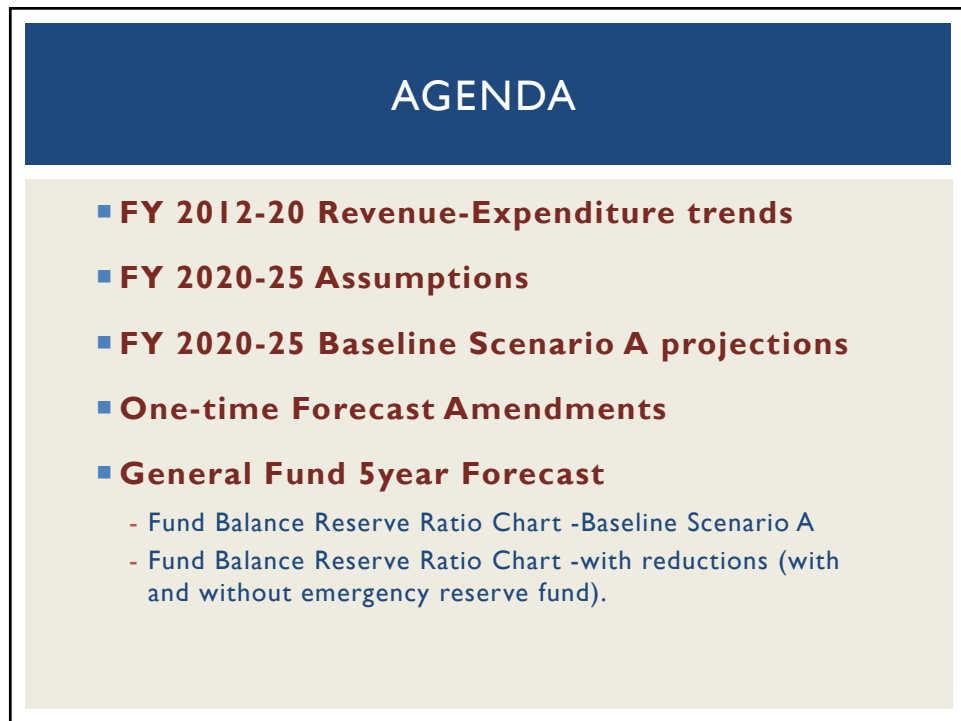
SUPPLEMENTAL AGENDA MATERIALS

CITY COUNCIL MEETING February 4, 2020

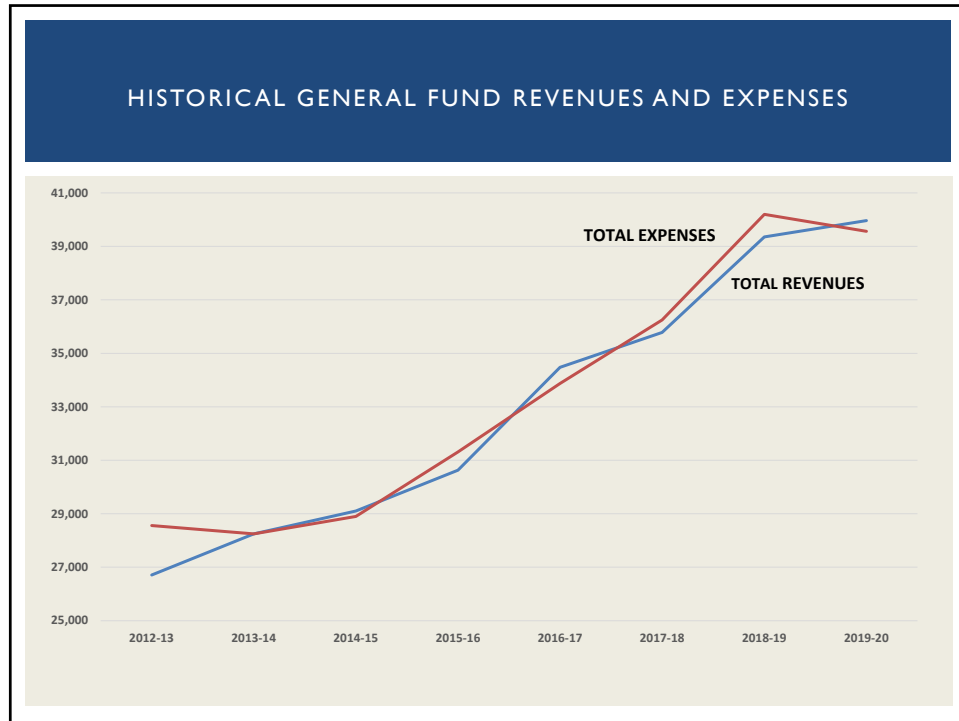
AGENDA ITEM 7(A) – Long Term Financial Forecast and Budget Study Session 1. Presentation



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FY 2018-25 GENERAL FUND BASELINE SUMMARY – SCENARIO A

FY 2020-2025 Assumptions														
Prop Tax Growth Rate	5.5%	GENERAL FUND FIVE YEAR FORECAST WITH TENTATIVE BUDGET AMENDMENTS FOR FY 2020												
Sales Tax/Other Tax Growth Rate	3%	FY 19-20 Budget Changes												
Other Revenue Growth Rate	3%	Property Taxes (-500K) RPTT (+51,50K)												
Expenses Growth Rate	3%	Sales Taxes (-500K) Expenses (-500K)												
AUDITED ACTUALS														
CURRENT														
PROJECTIONS														
	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Draft	CAPR	Amended	Forecast	Forecast	Forecast	Forecast	Forecast
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Revenues:														
Property taxes	55,414	56,191	56,805	57,908	58,832	59,487	59,931	\$10,449	\$11,014	\$11,620	\$12,259	\$12,933	\$13,645	\$14,398
Sales taxes	55,150	55,361	55,556	55,750	56,145	56,455	57,545	57,169	57,171	57,243	57,319	57,388	57,457	57,526
Other non-property taxes	4,055	5,355	5,700	6,006	5,900	5,900	5,762	6,106	5,242	6,304	6,357	6,431	6,495	6,560
Real Property Transfer Tax									2,956	2,956	2,956	2,956	2,956	2,956
License and permits	517	540	493	608	720	765	776	893	1,023	1,053	1,083	1,118	1,151	1,184
Fines and forfeitures	289	388	277	327	351	222	219	351	362	372	384	395	407	419
Use of money and property	317	290	350	312	345	374	157	345	408	429	433	446	459	472
Intergovernmental	3,544	3,461	4,036	3,622	3,623	4,119	4,091	3,727	3,839	3,954	4,073	4,195	4,321	4,447
VLF - toll	1,775	1,696	1,995	1,935	2,340	2,456	2,054	2,765	2,862	2,987	3,116	3,245	3,374	3,503
Charges for services	4,451	4,781	4,275	4,391	5,741	6,099	6,934	5,933	6,111	6,294	6,483	6,678	6,878	7,078
Other revenues	289	145	119	768	578	377	182	85	250	250	250	250	250	250
Total revenues	26,711	28,249	29,106	30,627	34,476	35,784	39,354	39,965	41,781	42,998	44,265	45,449	46,684	47,929
Expenditures:														
General government:														
City Management	2,596	2,731	2,521	3,140	3,587	3,833	4,403	4,134	4,258	4,386	4,517	4,653	4,799	4,945
Financial services	1,150	1,235	1,207	1,219	1,360	1,416	1,531	1,421	1,464	1,508	1,553	1,599	1,647	1,695
Public works	711	518	642	1,117	1,443	1,674	1,967	2,019	2,076	2,139	2,203	2,269	2,337	2,405
Recreation	3,954	4,002	4,154	4,465	4,818	5,184	5,754	5,655	5,856	6,031	6,212	6,399	6,590	6,784
Community development	1,790	1,515	1,688	1,769	2,157	2,405	2,522	2,565	2,639	2,718	2,800	2,884	2,970	3,057
Public safety	18,165	18,058	18,460	19,326	20,277	21,265	23,379	23,644	24,358	25,089	25,842	26,617	27,402	28,197
Fire additional CDT									1,039	1,039	1,039	1,039	1,039	1,039
Expenditures-Additional cost	140	105	135	183	46	277	344	165	150	150	150	150	150	150
Capital outlay	44	88	91	83	203	252	262	135	130	130	130	130	130	130
Debt service	28,561	28,253	28,898	31,312	33,871	36,255	40,202	48,942	41,946	43,666	45,222	46,715	48,248	49,791
Total expenditures	28,561	28,253	28,898	31,312	33,871	36,255	40,202	48,942	41,946	43,666	45,222	46,715	48,248	49,791
Expenditures w/reductions	28,561	28,253	28,898	31,312	33,871	36,255	40,202	48,942	41,946	43,666	45,222	46,715	48,248	49,791
Excess of revenues over (under) expenditures	(1,850)	(4)	208	(685)	605	(465)	(848)	403	(165)	(667)	(937)	(1,264)	(1,507)	(1,862)
Emergency Reserves (EERR)														
Emergency of fund	1,595													
Transfers in	1,059	804	501	897	55	51	1,118	945	915	915	915	915	915	915
Transfers out	(1,733)	(1,059)	(918)	(624)	(497)	(317)	(1,330)	(706)	(706)	(706)	(706)	(706)	(706)	(706)
Capital Leases							116							
PCA debt service														
Total other financing sources (uses)	801	(1,051)	(177)	273	(402)	(265)	(95)	234	209	209	(241)	(241)	(291)	(341)
Net change in fund balance	(949)	(1,059)	191	(412)	203	(732)	(944)	637	44	(458)	(1,198)	(1,507)	(1,855)	(2,202)
Special Items/Deferred Revenue							801							
Fund balance - July 1	3,289	2,340	1,271	1,462	616	819	87	-56	581	625	167	-1,031	-1,530	-2,030
Fund balance - June 30	\$2,340	\$1,271	\$1,462	\$1,050	\$619	\$81	(\$56)	\$581	625	167	(\$1,031)	(\$1,530)	(\$2,030)	(\$2,530)
FUND BAL/EXPENDITURES	8.2%	4.5%	5.3%	3.4%	3.4%	2.4%	-0.1%	3.5%	1.5%	0.4%	-2.3%	-5.4%	-8.1%	-10.3%
BUDGETED PER. CONTRIBUTIONS (\$000K)							4,986	5,920	6,669	6,869	7,075	7,287	7,506	7,731
REQUIRED PER. CONTRIBUTION							7,801	8,545	9,107	9,506	9,905	10,305	10,705	11,105
Permanents-Additional cost INCL VOTED above										1,032	1,032	1,032	1,032	1,032
Permanents-Additional cost NOT VOTED above										1,032	1,032	1,032	1,032	1,032

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FY 2018-25 GENERAL FUND BASELINE SUMMARY – SCENARIO A

	Current		PROJECTIONS				
	Actuals						
	Budget						
	Draft CAFR	Amended	Forecast	Forecast	Forecast	Forecast	Forecast
(\$000K)	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Revenues	39,354	39,965	41,781	42,998	44,265	45,449	46,684
Expenditures	40,202	39,562	41,946	43,666	45,222	46,715	48,248
Total other financing sources (uses)	(96)	234	209	209	(241)	(241)	(291)
Special Items	801						
Change in Fund Balance	(143)	637	44	(458)	(1,198)	(1,507)	(1,855)
Fund balance - July 1	87	(56)	581	625	167	(1,031)	(2,539)
Fund balance - June 30	(\$56)	\$581	625	167	(1,031)	(2,539)	(4,394)
GENERAL FUND RESERVE RATIO	-0.1%	1.5%	1.5%	0.4%	-2.3%	-5.4%	-9.1%

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SUMMARY OF ONE-TIME ADJUSTMENTS TO FORECAST

- **FY 2019-20: Tentative mid-year adjustments: Reduce property taxes by \$500k; sales taxes by \$500k; reduce operating expenses by \$500k(net); increase Fire overtime by \$300k; increase RPTT budget by \$1.15m.**
- **FY 2022-25: write-off General Fund advances to Successor Agency \$1.35 million.**

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FY 2020-25 GENERAL FUND REVENUE PROJECTIONS

	CURRENT					PROJECTIONS				
	Actuals	Actuals	Actuals	Draft CAFR	Amended	Forecast	Forecast	Forecast	Forecast	Forecast
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Revenues: (\$000s)										
Property taxes	\$7,908	\$8,832	\$9,487	\$9,931	\$10,440	\$11,014	\$11,620	\$12,259	\$12,933	\$13,645
Sales Taxes	\$5,750	\$6,145	\$6,458	\$7,545	\$7,100	\$7,171	\$7,243	\$7,315	\$7,388	\$7,462
Other non property Taxes	5,006	5,800	5,386	5,762	6,180	6,242	6,304	6,367	6,431	6,495
Real Property Transfer Tax				1,103	2,000	2,500	2,500	2,500	2,500	2,500
Licenses and permits	608	720	766	776	993	1,023	1,053	1,085	1,118	1,151
Fines and forfeitures	327	351	222	219	351	362	372	384	395	407
Use of money and property	312	346	374	157	396	408	420	433	446	459
Intergovernmental	3,622	3,623	4,116	4,091	3,727	3,839	3,954	4,073	4,195	4,321
VLF - HdL	1,935	2,340	2,499	2,654	2,760	2,862	2,987	3,116	3,116	3,116
Charges for services	4,391	5,741	6,099	6,934	5,933	6,111	6,294	6,483	6,678	6,878
Other revenues	768	578	377	182	85	250	250	250	250	250
Total revenues	30,627	34,476	35,784	39,354	39,965	41,781	42,998	44,265	45,449	46,684

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FY 2020-25 GENERAL FUND EXPENDITURES

	Actuals	Actuals	Actuals	Draft CAFR	Amended	Forecast	Forecast	Forecast	Forecast	Forecast
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Expenditures: (\$000s)										
General government:										
City Management	3,140	3,567	3,832	4,403	4,134	4,258	4,386	4,517	4,653	4,792
Financial services	1,219	1,360	1,416	1,531	1,421	1,464	1,508	1,553	1,599	1,647
Public works	1,117	1,443	1,674	1,967	2,016	2,076	2,139	2,203	2,269	2,337
Recreation	4,465	4,818	5,184	5,794	5,685	5,856	6,031	6,212	6,399	6,590
Community development	1,769	2,157	2,405	2,522	2,562	2,639	2,718	2,800	2,884	2,970
Public safety:	19,326	20,277	21,260	23,379	23,649	24,358	25,089	25,842	26,617	27,416
Fire additional O/T					300					
Pensions- Additional cost						1000	1500	1800	2000	2200
Capital outlay	183	46	277	344	165	165	165	165	165	165
Debt service:	93	203	202	262	130	130	130	130	130	130
Total expenditures	31,312	33,871	36,250	40,202	40,062	41,946	43,666	45,222	46,715	48,248
Proposed Mid Year Budget Reductions					(500)					
Total Expenditures w/reductions	31,312	33,871	36,250		39,562	41,946	43,666	45,222	46,715	48,248
Excess of revenues over (under) expenditures	(685)	605	(466)	(848)	403	(165)	(667)	(957)	(1,266)	(1,564)

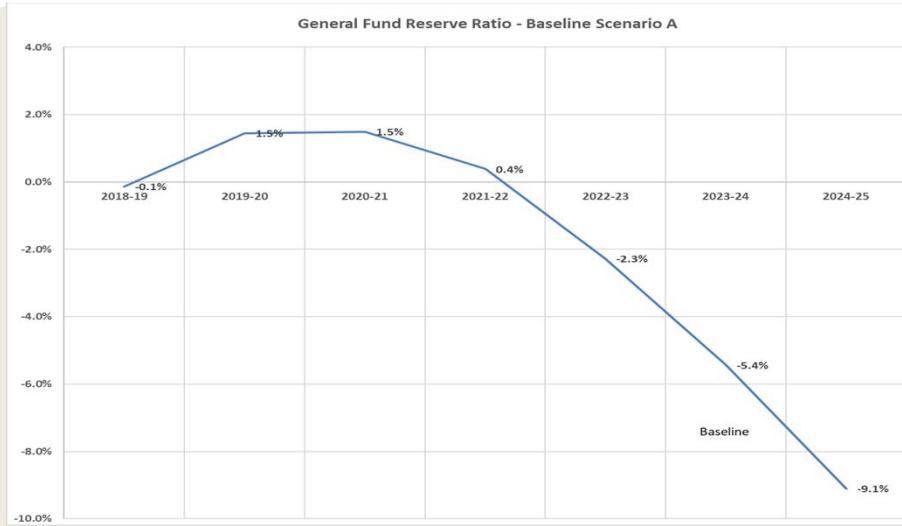
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FY 2020-25 BUDGET GENERAL FUND RESERVES

	Actuals	Actuals	Actuals	Draft CAFR	Amended	Forecast	Forecast	Forecast	Forecast	Forecast
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
(\$000s)										
Emergency Reserves (EDRF)										
Issuance of debt										
Transfers in	897	55	51	1,118	940	915	915	915	915	915
Transfers out	(624)	(457)	(317)	(1,330)	(706)	(706)	(706)	(706)	(706)	(706)
Capital Leases				116						
RDA debt writeoff								(450)	(450)	(500)
Total other financing sources (uses)	273	(402)	(266)	(96)	234	209	209	(241)	(241)	(291)
Net change in fund balance	(412)	203	(732)	(944)	637	44	(458)	(1,198)	(1,507)	(1,855)
Special Items/Deferred Revenue				801						
Fund balance - July 1	1,462	616	819	87	(56)	581	625	167	(1,031)	(2,539)
Fund balance - June 30	\$1,050	\$819	\$87	(\$56)	\$581	625	167	(1,031)	(2,539)	(4,394)
FUND BAL/EXPENDITURES	3.4%	2.4%	0.2%	-0.1%	1.5%	1.5%	0.4%	-2.3%	-5.4%	-9.1%

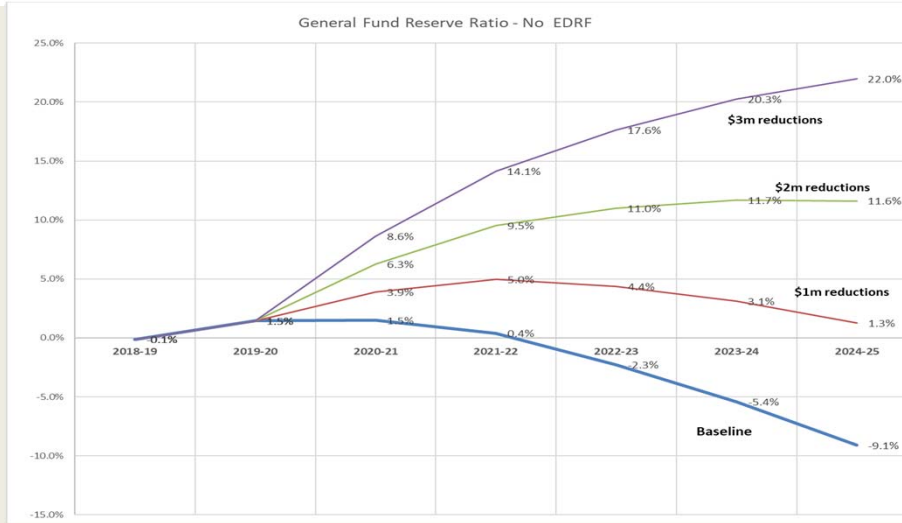
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FY 2018-2025 GENERAL FUND RESERVE RATIO BASELINE SCENARIO A



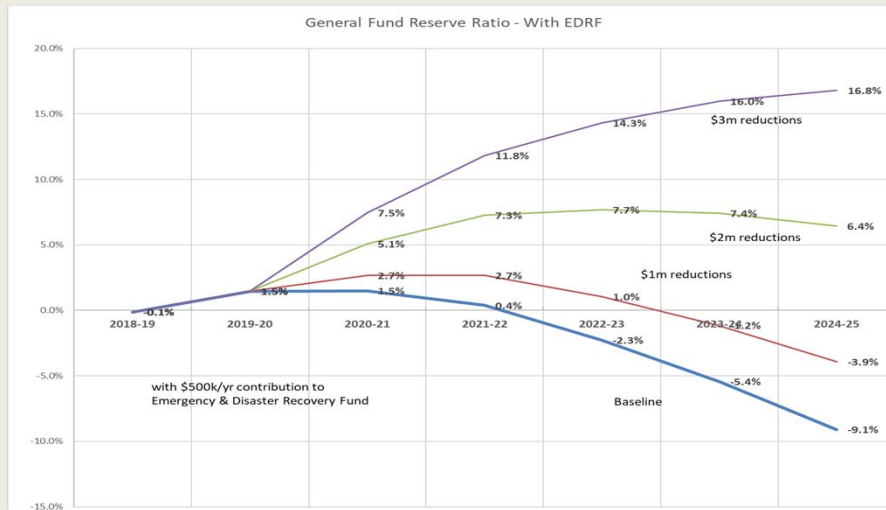
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FY 2018-2025 GENERAL FUND RESERVE RATIO – NO EDRF



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GENERAL FUND RESERVE RATIO WITH EDRF



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POTENTIAL REDUCTIONS FY 2020-25

- **3% COLA for unrepresented employees (\$135k/yr).**
- **Increased CalPERS contributions (tbd).**
- **Furlough days for non-sworn. Hiring freeze (tbd).**
- **Cost of expanded library hours (\$100k/yr).**
- **Senior center lease (\$125k/yr), less penalty.**
- **Reduce landscape/park mtce. services (\$200k/yr).**
- **OpenGov software (\$40k/year).**
- **Fourth of July event (\$60k/yr). Other City events.**
- **Credit card fees and charges (\$50k).**
- **Capital Improvement Program (\$165k/yr)**
- **Boards, commissions, committees (tbd).**
- **Defer large purchases (vehicles, equipment).**

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FORECASTING RISKS

- **Macro-Economic shocks – a significant recession in the next 2 years**
- **Large settlements or one time payments**
- **Natural disasters**
- **Sharp increase in Insurance premiums**
- **A significant drop in CalPERS discount rate**
- **High public safety overtime costs**

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5-YEAR GENERAL FUND FORECAST

Questions?



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