



City of Santa Rosa

637 First Street
Santa Rosa, CA 95404

**LONG-TERM FINANCIAL POLICY AND AUDIT
SUBCOMMITTEE
REGULAR MEETING AGENDA AND
SUMMARY REPORT - FINAL-REVISED
SEPTEMBER 12, 2024**

3:30PM

**MEMBERS OF THE PUBLIC CAN PARTICIPATE IN THE MEETING BY
ATTENDING IN-PERSON FROM THE CHAMBER LARGE CONFERENCE
ROOM LOCATED AT: 637 FIRST STREET - (IT IS RECOMMENDED THAT
SOCIAL DISTANCING CONTINUE TO BE CONSIDERED).**

OR VIEW VIA ZOOM BY VISITING

<https://srcity-org.zoom.us/j/81473918373>

OR LISTEN BY PHONE: (877) 853-5257 - ENTER ID: 814 7391 8373

**A VIDEO RECORDING OF THE MEETING WILL BE AVAILABLE FOR
VIEWING ONCE UPLOADED TO SANTA-ROSA.LEGISTAR.COM**

PUBLIC COMMENTS AND PARTICIPATION

LIVE PUBLIC COMMENT:

All public comments will be provided in person or via email submitted in advance of the meetings.

Each speaker is allowed up to three minutes.

E-MAIL PUBLIC COMMENT:

To submit an e-mailed public comment to the Long-Term Financial Policy and Audit (LTFPA) Subcommittee, please send to: finance@srcity.org by 5:00PM, Monday, prior to the regularly scheduled LTFPA meeting. E-mailed public comments will be added to the record prior to the start of the meeting and will be distributed to the LTFPA Subcommittee members and uploaded to the agenda prior to the start of the meeting for public access. Emails received will not be read into the record. Please note that all e-mails sent to the city are considered public records and subject to disclosure under the California Public Records Act.

REMOTE PARTICIPATION UNDER AB 2449 (IF NEEDED):

To consider and take action on any request from a Board Member to participate in a meeting remotely due to Just Cause or Emergency Circumstances pursuant to AB 2449 (Government Code Section 54953(f)).

1. CALL TO ORDER AND ROLL CALL

2. PUBLIC COMMENTS NON-AGENDA MATTERS

This is the time when any person attending in person may address matters not listed on this agenda, but which are within the subject matter of the jurisdiction.

The public may comment on scheduled agenda items when the item is called. Each speaker is allowed up to three minutes.

3. APPROVAL OF MINUTES

3.1 CANCELLATION NOTICES

Attachments: [LTFPA - CANCELLATION - July 11, 2024](#)
[LTFPA - CANCELLATION - August 8, 2024](#)

3.2 LTFPA - Regular Meeting Minutes - June 13, 2024 - draft

Attachments: [LTFPA - Regular Meeting Minutes - June 13, 2024 Draft](#)

4. SCHEDULED ITEMS

This is the time when any person may address matters not listed on this agenda, but which are within the subject matter of the jurisdiction. The public may comment on agenda items when the item is called. Each speaker is allowed up to three minutes.

4.1 BUDGET REDUCTIONS PLANNING

Presenter: Alan Alton, Chief Financial Officer

Purpose: Staff will present information on the current condition of the General Fund and its structural deficit and provide an overview of the process and methodology of budget reductions.

Recommendation Action: Information

Attachments: [Budget Reductions Presentation](#)
[REVISED Budget Reductions Presentation \(uploaded 9-10](#)

4.2 EVENT FUNDING

Presenter: Alan Alton, Chief Financial Officer

Purpose: Staff will initiate a discussion with the Committee on the process for funding Citywide events.

Recommendation Action: Information

5. FUTURE AGENDA ITEMS

This time is reserved for discussion whether to place matters on a future agenda for further discussion.

The next Regular Meeting is scheduled: October 10, 2024, at 3:30 PM

6. ADJOURNMENT

The City of Santa Rosa does not discriminate on the basis of disability in the admissions or access to, or treatment of or employment in, its programs or activities. Disability-related aids or services, including printed information in alternate formats, to enable persons with disabilities to participate in public meetings and programs are available by contacting the Finance Department at (707) 543-3140 (TTY Relay at 711) one week prior to the meeting. Meeting information can also be accessed via the internet at <http://srcity.org>.

Any writing or documents provided to the Long-Term Financial Policy and Audit Subcommittee regarding any item on this agenda can be made available for public inspection upon request to finance@srcity.org.



City of Santa Rosa

Text File

File Number: 24-105LTF

Agenda Date: 9/12/2024

Version: 1

Status: In Committee

In Control: Long-Term Financial Policy and Audit Subcommittee

File Type: LTF- Minutes

Agenda Number: 3.1



City of Santa Rosa

637 First Street
Santa Rosa, CA 95404

**LONG-TERM FINANCIAL POLICY AND AUDIT
SUBCOMMITTEE
REGULAR MEETING AGENDA AND
SUMMARY REPORT - CANCELLED
JULY 11, 2024**

CANCELLED

**THE REGULAR SCHEDULED MEETING OF THE LONG-TERM FINANCIAL
POLICY AND AUDIT SUBCOMMITTEE FOR JULY 11, 2024, HAS BEEN
CANCELLED**

**THE NEXT REGULAR SCHEDULED MEETING IS SCHEDULED ON
AUGUST 8, 2024, AT 3:30 PM**

**POSTED: JULY 03, 2024
/s/ Shelley McClure
Recording Secretary**



City of Santa Rosa

637 First Street
Santa Rosa, CA 95404

**LONG-TERM FINANCIAL POLICY AND AUDIT
SUBCOMMITTEE
REGULAR MEETING AGENDA AND
SUMMARY REPORT - FINAL
AUGUST 8, 2024**

CANCELLED

**THE REGULAR SCHEDULED MEETING OF THE LONG-TERM FINANCIAL
POLICY AND AUDIT SUBCOMMITTEE FOR AUGUST 8, 2024, HAS BEEN
CANCELLED**

**THE NEXT REGULAR SCHEDULED MEETING IS SCHEDULED ON
SEPTEMBER 12, 2024, AT 3:30 PM**

**POSTED: AUGUST 05, 2024
/s/ Shelley McClure
Recording Secretary**



City of Santa Rosa

Text File

File Number: 24-107LTF

Agenda Date: 9/12/2024

Version: 1

Status: In Committee

In Control: Long-Term Financial Policy and Audit Subcommittee

File Type: LTF- Minutes

Agenda Number: 3.2



**Long-Term Financial Policy and Audit
Subcommittee
Regular Meeting Minutes - Draft**

Thursday, June 13, 2024

3:30 PM

1. CALL TO ORDER AND ROLL CALL

The Meeting was called to order at 3:31 by Chair Rogers

Present: 3 - Chair Natalie Rogers, Mark Stapp, and Dianna MacDonald

2. PUBLIC COMMENTS NON-AGENDA MATTERS

There were no public comments on non-agenda items

3. APPROVAL OF MINUTES

Let the record reflect that:

- the cancellation notices for April 11, 2024 and May 9, 2024 were acknowledged

- March 21, 2024 - approved as submitted - Member MacDonald abstained

- April 25, 2024 - approved as submitted - Chair Rogers abstained

3.1 Meeting Minutes

Attachments: [April 11, 2024 LTFPA - cancellation notice](#)
[March 21, 2024 LTFPA -Regular Meeting Minutes - draft](#)
[May, 9, 2024 LTFPA - cancellation notice](#)
[April 25, 2024 - LTFPA - Special Meeting Minutes- draft](#)

4. SCHEDULED ITEMS

4.1 CITY OF SANTA ROSA REVENUE MEASURES

Presenter: Alan Alton, Chief Financial Officer

Purpose: Discuss the impact of the Revenue Measures

Presentation: Presentation was received 6/13 and added to the agenda 6/14 as a late add following the meeting. The agenda was updated to reflect Final-Revised

Recommendation Action: Information

Attachments: [Revenue Measure Nov 2024 Presentation - added after the meeting](#)

The Presentation was received 6/13 - it was presented at the meeting and added to the Agenda as a late add on 6/14 and the agenda was resubmitted as Final-Revised.

The Board discussed and asked follow up questions
There were no public comments on this item

5. FUTURE AGENDA ITEMS

- Clarify where the 2% and 3% fees are being committed to (SRTBIA, and SCTBIA)
- Add a column to clarify the Healdsburg local TBIA(?) - not County
- (Rogers) Inquire about the Airport marketing for SR
- (Stapp) get feedback from hotel groups per increase
- Ask SR/SC TBIA to present to Council fee breakdown
- (MacDonald) determine if the STR tax are uncaptured or what the plan is for reporting more clearly
- Council will need a hypothetical example for the BLT increase...(EX: A Salon, Gross, current, impact)
- More information re: AirBNB Permitting (STR)
- (MacDonald/Rogers) Clarify to a granular level Impact Fees returning - how much, how determined, to what resource, who determines, (Quads?)

8. ADJOURNMENT

The meeting was adjourned at 4:59pm by Chair Rogers

The next scheduled meeting: July 11, 2024, 3:30pm

APPROVED:

Shelley McClure, Recording Secretary



City of Santa Rosa

Text File

File Number: 24-006LTF

Agenda Date: 9/12/2024

Version: 1

Status: In Committee

In Control: Long-Term Financial Policy and Audit Subcommittee

File Type: LTF- Agenda Item

Agenda Number: 4.1

General Fund Budget Reductions Planning

FINANCE SUBCOMMITTEE

SEPTEMBER 12, 2024

ALAN ALTON, CHIEF FINANCIAL OFFICER

BACKGROUND

General Fund Ongoing Budget Deficit

- Ended FY 2023-24 with approximately \$3.8M deficit
- Adopted FY 2024-25 budget with \$13.3M deficit

Deficit includes labor contract costs

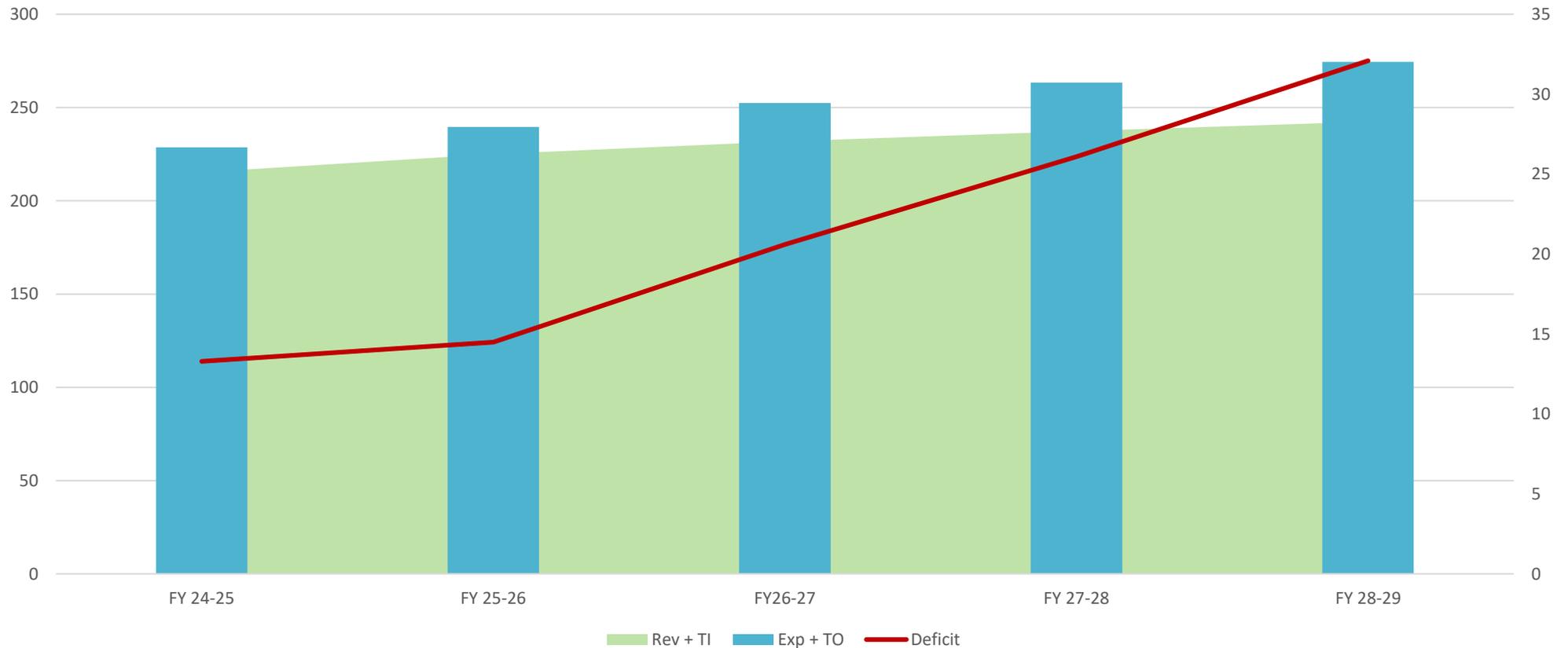
- 15% over three-year general wage increase
- Up to an additional 5% increase in FY 2025-26 for Miscellaneous Units based on compensation study

Council approved revenue measures for November ballot

- Approximately \$4M - \$5M of new revenue estimated

GENERAL FUND FORECAST

GF Revenues vs. Expenditures



REDUCTION METHDODOLOGY

Guiding Principle

- Achieve sustainable balanced budget that replenishes reserves and can invest in critical infrastructure and community needs
- Programmatic vs. across-the-board reductions

Process

- Overall Problem is about \$33M
- Cuts over three years, with significant cuts targeted for FY 2024-25 and FY 2025-26
- Some one-time savings could be used to ease into reductions

REDUCTION METHODOLOGY, cont.

Ongoing, sustainable cuts

- Staff reductions including hiring freeze, eliminating vacant positions, and layoffs

Analyzing programs for cost cutting and efficiencies

- Reductions in fleet vehicles
- Safe Parking – Reductions in Homeless Services
- Early retirement incentives

Next Steps

- City Council Study Session October 22, 2024
- Currently working with departments to identify current year cuts
 - Examples include: un-used project funding
 - Contracts and other services and supplies
 - Vacant positions
- Council item in December/January to finalize FY 2024-25 cuts
- Further reductions as part of FY 2025-26 budget development

Questions?

General Fund Budget Reductions Planning

FINANCE SUBCOMMITTEE

SEPTEMBER 12, 2024

ALAN ALTON, CHIEF FINANCIAL OFFICER

BACKGROUND

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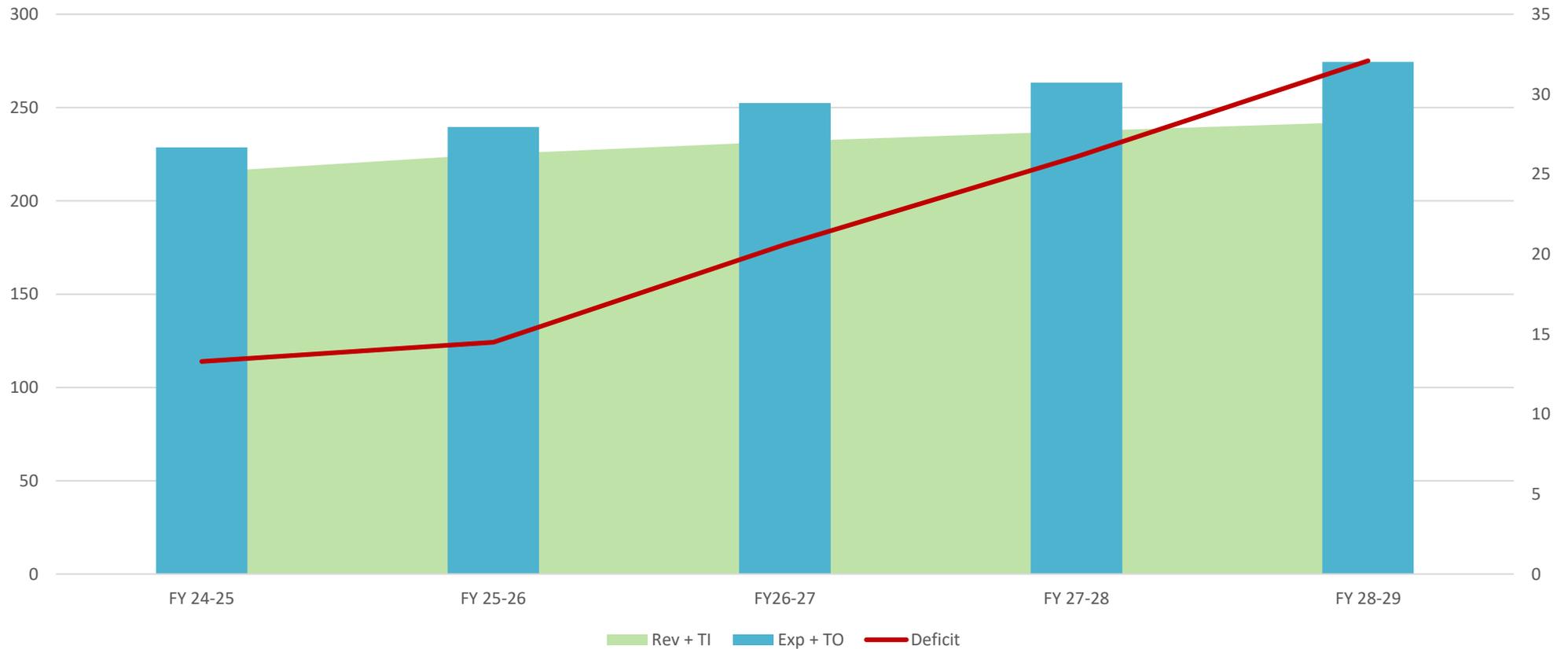
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REDUCTION METHODOLOGY, cont.

Ongoing, sustainable cuts

- Staff reductions including hiring freeze, eliminating vacant positions, and layoffs

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- Early retirement incentives

REDUCTION METHODOLOGY, cont.

Pension Stabilization Fund / Pension Obligation Bonds

- The City's final payment on Pension Obligation Bonds occurred in the current fiscal year
- Proposed strategy was to re-direct this funding to the City's 115 Pension Stabilization Fund
- Current strategy is to use this funding to reduce the 25/26 budget and mitigate cuts. Approximate funding is \$3M in 25/26
- Sunset the Pension Stabilization Fund and return the balance to the General Fund to offset reductions

Next Steps

- City Council Study Session October 22, 2024
- Currently working with departments to identify current year cuts
 - Examples include: un-used project funding
 - Contracts and other services and supplies
 - Vacant positions
- Council item in December/January to finalize FY 2024-25 cuts
- Further reductions as part of FY 2025-26 budget development

Questions?



City of Santa Rosa

Text File

File Number: 24-007LTF

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In Control: Long-Term Financial Policy and Audit Subcommittee

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Agenda Number: 4.2