



City of Santa Rosa

637 First Street
Santa Rosa, CA 95404

**LONG-TERM FINANCIAL POLICY AND AUDIT
SUBCOMMITTEE
SPECIAL MEETING NOTICE AND AGENDA -
FINAL
APRIL 25, 2024
SPECIAL MEETING**

4:00 P.M.

**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 JOIN VIA ZOOM WEBINAR BY VISITING:

<https://srcity-org.zoom.us/j/86212898637>

OR BY DIALING: 877-853-5257 AND ENTER WEBINAR ID:

862 1289 8637

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

PUBLIC COMMENT/PARTICIPATION INFORMATION

Live Public Comment: All public comments shall be in person. Each speaker is allowed up to three minutes to comment.

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 and note in the subject line "LTFPA COMMENT", no later than Monday, prior to the 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.

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.

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3. APPROVAL OF MINUTES

3.1 Regular Meeting Minutes

Attachments: [Regular meeting Minutes - LTFPA March 21, 2024 - draft CANCELLATION NOTICE - LTFPA - April 11, 2024](#)

4. SCHEDULED ITEMS

4.1 FY 23/24 QUARTERLY BUDGET REVIEW - THIRD QUARTER

Presenter: Veronica Conner, Budget and Financial Analysis Manager

Purpose: A look at the budget for the quarter, with a focus on the General Fund

Recommendation Action: Information

Attachments: [Q3 2023-24 LTFPA Presentation](#)

4.2 IN-HOUSE SERVICES

Presenters: Veronica Conner, Budget and Financial Analysis Manager and Alan Alton, Chief Financial Officer

Purpose: A discussion on the Finance Department's approach to performing cost analyses on services performed by a contractor versus in-house. The presentation will discuss a standardized methodology to determine if there are potential savings.

Recommendation Action: Information

Attachments: [In House Services Presentation](#)

5. FUTURE AGENDA ITEMS

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

Our next regular scheduled meeting: Thursday, May 9, 2024, at 3:30 pm is cancelled.

The following regular meeting scheduled will be held June 13, 2024, at 3:30pm

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: finance@srcity.org , please put in the subject line "LTFPA", or (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 a majority of 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 please put in the subject line: "LTFPA DOCUMENT REQUEST"



City of Santa Rosa

Text File

File Number: 24-101LTF

Agenda Date: 4/25/2024

Version: 1

Status: In Committee

In Control: Long-Term Financial Policy and Audit Subcommittee

File Type: LTF- Minutes

Agenda Number: 3.1



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

Thursday, March 21, 2024

3:30 PM

1. CALL TO ORDER AND ROLL CALL

Chair Rogers called the meeting to order at 3:30pm

Also present:

Scott Wagner - Deputy Director, Finance

Donte Watson - Director, Recreation and Parks

Jen Santos - Deputy Director, Parks

Teresa Strickler - City Attorney

Maraskeshia Smith - City Manager

Pam Lorence - ASO, Police

Present: 2 - Chair Natalie Rogers, and Mark Stapp

Absent: 1 - Dianna MacDonald

2. PUBLIC COMMENTS NON-AGENDA MATTERS

No Public Comment

3. APPROVAL OF MINUTES

Member Stapp did not have any edits or adjustments to the minutes

3.1 Cancellation Notice's

Attachments: [CANCELLED AGENDA - LTFPA - FEBRUARY 8, 2024](#)
[CANCELLED AGENDA - LTFPA - MARCH 14, 2024](#)

3.2 Special Meeting Minutes - January 25, 2024

Attachments: [Special Meeting Minutes - January 25, 2024 - draft](#)

4. SCHEDULED ITEMS

4.1 BENNETT VALLEY GOLF COURSE OPERATIONS OVERVIEW AND
UPDATE

Presenter: Jen Santos

Purpose: Review the past operational expenditures and service debt and propose fee increases.

Recommendation Action: Information

Attachments: [BVGC Overview Presentation](#)

Presenters included:

Greg Anderson - General Manager, Touchstone Golf

James Birchall - VP of Operations, Touchstone Golf

Mark Luthman - President, Touchstone GolfSave

Committee discussed the presentation

Public Comments:

Richard Carlile - President, Save Bennett Valley Golf Course, expressed appreciation to Touchstone Golf for their efforts and expressed interest in next steps as to how the group could help fundraise to offset costs.

Lynne Carlile - Member, Save Bennett Valley Golf Course, also expressed appreciation to Touchstone Golf for their efforts and expressed interest in next steps as to how the group could help fundraise to offset costs and supported fee increase.

5. FUTURE AGENDA ITEMS

no future agenda items

6. ADJOURNMENT

Chair Rogers adjourned the meeting at 4:39 pm

Approved:

Shelley McClure, Recording Secretary



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

CANCELLED**

**THE REGULAR SCHEDULED MEETING OF THE LONG-TERM FINANCIAL
POLICY AND AUDIT SUBCOMMITTEE HAS BEEN CANCELLED**

A SPECIAL MEETING HAS BEEN SCHEDULED ON APRIL 25, 2024, 3:30 PM

**POSTED: March 22, 2024
/s/ Shelley McClure
Recording Secretary**



City of Santa Rosa

Text File

File Number: 24-003LTF

Agenda Date: 4/25/2024

Version: 1

Status: In Committee

In Control: Long-Term Financial Policy and Audit Subcommittee

File Type: LTF- Agenda Item

Agenda Number: 4.1

FY 2023-24 Quarterly Budget Review (Third Quarter)

FINANCE SUBCOMMITTEE
APRIL 25, 2024

VERONICA CONNER
BUDGET MANAGER

Q3 General Fund Revenues &
Expenditures

Year End Projections June 30, 2024

5-Year Lookback & Outlook

Questions

Quarterly Budget Review

Operating Revenues as of March 31, 2024

Operating Revenues	Adopted Budget	Changes	Final Budget	YTD Actuals	Percent Received
Property taxes	\$36,325,000	-	\$36,325,000	\$20,616,351	56.8%
Sales taxes	75,866,735	-	75,866,735	41,413,497	54.6%
Utility Users tax	11,641,100	-	11,641,100	8,311,264	71.4%
Other taxes	45,258,029	-	45,258,029	28,568,325	63.1%
License and permits	3,075,000	-	3,075,000	2,062,984	67.1%
Charges for services	23,151,558	104,704	23,256,262	17,088,797	73.5%
Intergovernmental	1,980,181	-	1,980,181	1,464,648	74.0%
Fines and forfeitures	1,710,900	-	1,710,900	1,206,310	70.5%
Miscellaneous	2,970,000	168,573	3,138,573	1,420,477	45.3%
Transfers In	2,876,247	-	2,876,247	2,316,677	80.5%
Total	\$204,854,750	\$273,277	\$205,128,027	\$124,469,330	60.7%

Other Taxes	Budget	YTD Actuals	Percent of Budget
VLF Swap	\$ 17,278,677	\$ 8,880,969	51.4%
Franchise Fees	11,123,600	6,516,806	58.6%
Motor Vehicle License Fees	200,000	219,893	109.9%
Cannabis Industry Tax	1,800,000	1,537,225	85.4%
Business Tax	4,605,752	4,324,077	93.9%
Real Property Transfer Tax	4,250,000	2,179,025	51.3%
Occupancy Tax	6,000,000	4,910,330	81.8%
Total Other Taxes	\$ 45,258,029	\$ 28,568,325	63.1%

Other Taxes

Detail of “Other Taxes”
line on previous slide

Q3 Operating Revenues 2022-23 vs 2023-24

General Fund Operating Revenues	FY 22-23 YTD Actuals	FY 23-24 YTD Actuals	\$ Change	% Change
Property taxes	\$ 19,155,404	\$ 20,616,351	\$ 1,460,947	7.6%
Sales taxes	43,602,981	41,413,497	(2,189,484)	-5.0%
Utility users tax	8,689,658	8,311,264	(378,394)	-4.4%
Other taxes	27,007,325	28,568,325	1,561,000	5.8%
License and permits	2,126,805	2,062,984	(63,821)	-3.0%
Charges for services	17,861,558	17,088,797	(772,762)	-4.3%
Intergovernmental - Recurring	1,489,172	1,464,648	(24,523)	-1.6%
Fines and forfeitures	1,152,741	1,206,310	53,569	4.6%
Miscellaneous	1,967,596	1,420,477	(547,120)	-27.8%
Transfers In	1,780,249	2,316,677	536,428	30.1%
Total	\$124,833,490	\$124,469,330	\$ (364,160)	-0.3%

Revenue Year End Projections June 30, 2024

Operating Revenues	Final Budget	Year End Forecast	Over (Under) Budget
Property taxes	\$36,325,000	\$37,735,000	\$1,410,000
Sales taxes	75,866,735	70,780,000	(5,086,735)
Utility Users tax	11,641,100	12,703,000	1,061,900
Other taxes	45,258,029	46,087,690	829,661
License and permits	3,075,000	2,800,000	(275,000)
Charges for services	23,256,262	23,256,262	-
Intergovernmental	1,980,181	1,980,181	-
Fines and forfeitures	1,710,900	1,600,000	(110,900)
Miscellaneous	3,138,573	2,500,000	(638,573)
Transfers In	2,876,247	2,876,247	-
Total	\$205,128,027	\$202,318,380	(\$2,809,647)

Expenditures as of March 31, 2024

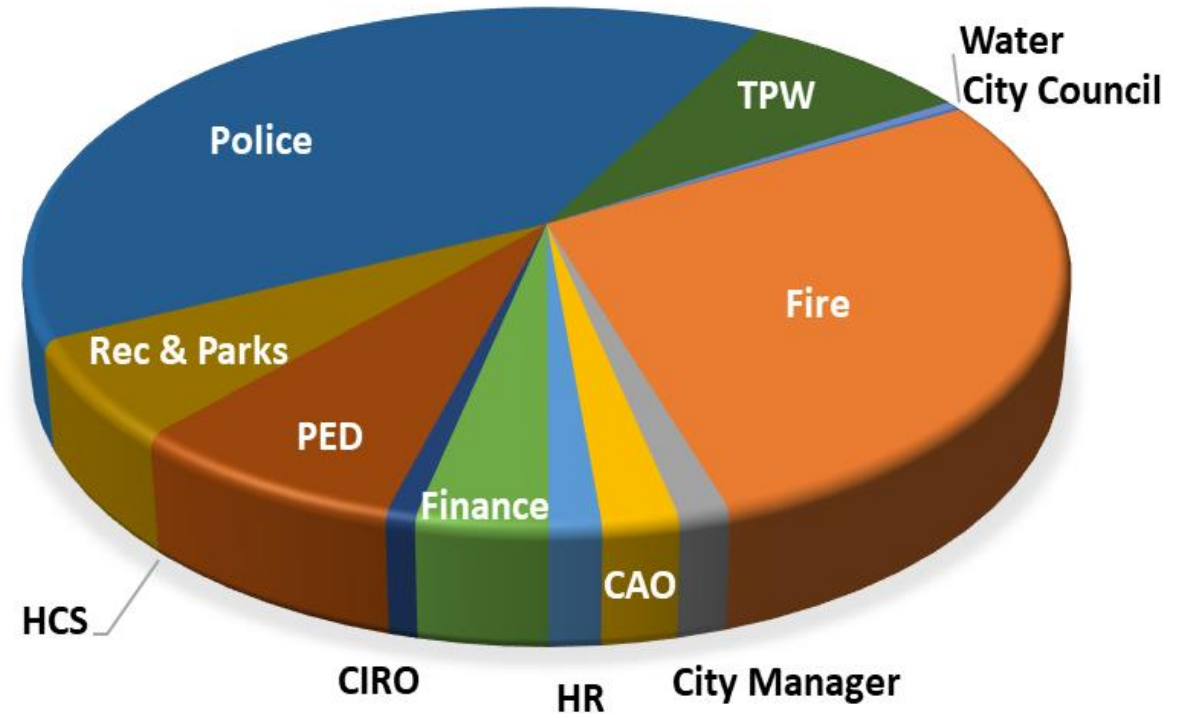
Operating Expenditures	Budget	YTD Actuals	Percent of Budget
City Council	\$934,174	\$782,931	83.81%
City Manager	3,084,775	1,928,140	62.51%
City Attorney	4,679,592	3,150,902	67.33%
Human Resources	4,262,083	2,847,007	66.80%
Finance	7,186,371	5,536,882	77.05%
Comms & Intergovernmental Relations	1,866,762	1,108,887	59.40%
Planning, Economic Development	17,261,545	12,462,180	72.20%
Housing & Community Services	51,000	11,742	23.02%
Recreation & Parks	17,509,026	12,216,177	69.77%
Fire	53,005,463	42,074,101	79.38%
Police	71,949,860	54,768,424	76.12%
Public Works	26,591,528	18,722,900	70.41%
Water	804,466	650,363	80.84%
Non-Departmental	(9,590,573)	(8,242,326)	85.94%
Transfers	8,502,211	6,028,103	70.90%
Total Operating Expenditures	\$208,098,284	\$154,046,410	74.03%

Expenditures by Dept. 2022-23 vs 2023-24

General Fund Operating Expenditures	FY 22-23 YTD Actuals	FY 23-24 YTD Actuals	\$ Change	% Change
City Council	\$ 929,187	\$ 782,931	\$ (146,256)	-15.7%
City Manager	1,841,271	1,928,140	86,869	4.7%
City Attorney	2,845,354	3,150,902	305,548	10.7%
Human Resources	2,458,279	2,847,007	388,727	15.8%
Finance	5,190,754	5,536,882	346,128	6.7%
Comms & Intergovt Relations	1,026,128	1,108,887	82,759	8.1%
Planning, Economic Development	12,342,163	12,462,180	120,016	1.0%
Housing & Community Services	66,565	11,742	(54,823)	-82.4%
Recreation and Parks	7,017,576	12,216,177	5,198,601	74.1%
Fire	37,525,846	42,074,101	4,548,255	12.1%
Police	51,657,409	54,768,424	3,111,015	6.0%
Public Works	22,280,268	18,722,900	(3,557,368)	-16.0%
Water	634,969	650,363	15,394	2.4%
Non Departmental	(7,118,221)	(8,242,326)	(1,124,105)	15.8%
Transfers	4,009,680	6,028,103	2,018,422	50.3%
Total	\$ 142,707,228	\$ 154,046,410	\$ 11,339,182	7.9%

Q3 Salaries and Benefits

	Budget	YTD Actuals	Percent of Budget
Salaries	\$ 91,065,298	\$ 69,679,745	76.5%
Benefits	62,647,465	46,711,056	74.6%
Total	\$ 153,712,763	\$ 116,390,801	75.7%



Expenditure Year End Projections June 30, 2024

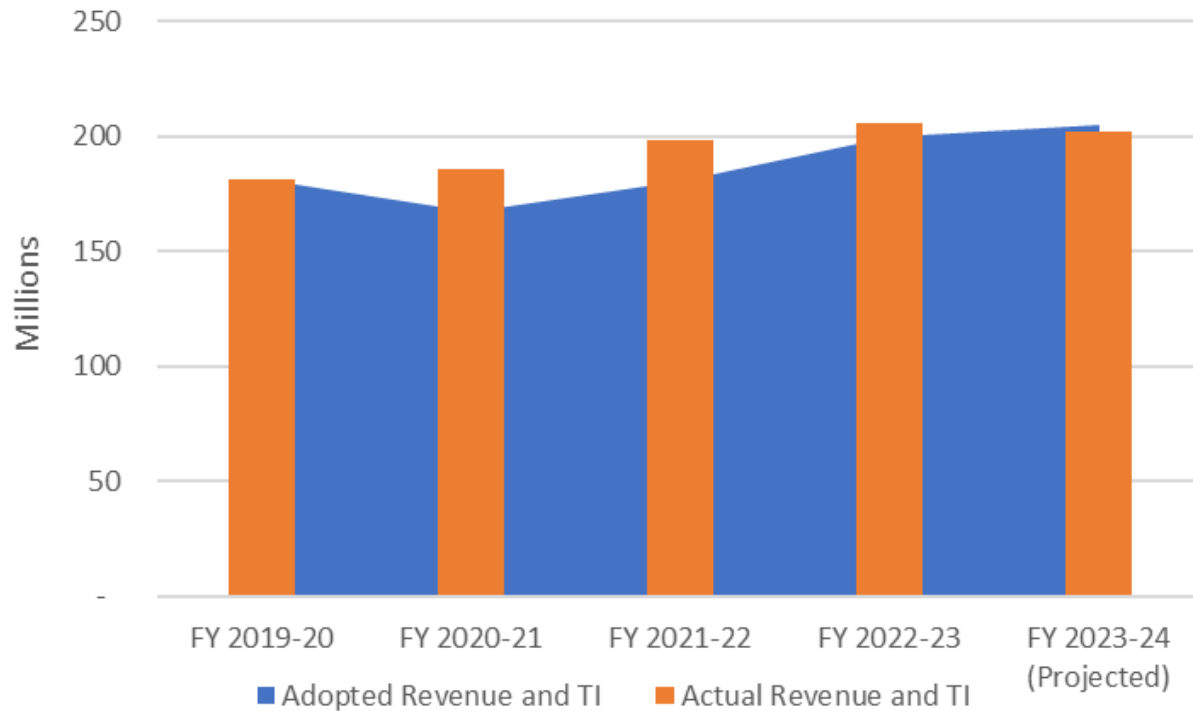
Operating Expenditures	Final Budget	Year End Forecast	Over (Under) Budget
Salaries	\$91,065,298	\$90,583,668	\$481,630
Benefits	62,647,465	60,724,372	1,923,093
Services & Supplies	45,883,309	45,883,309	-
Transfers Out	8,502,211	8,502,211	-
Total	\$208,098,284	\$205,693,561	\$2,404,723

Year End Projection June 30, 2024

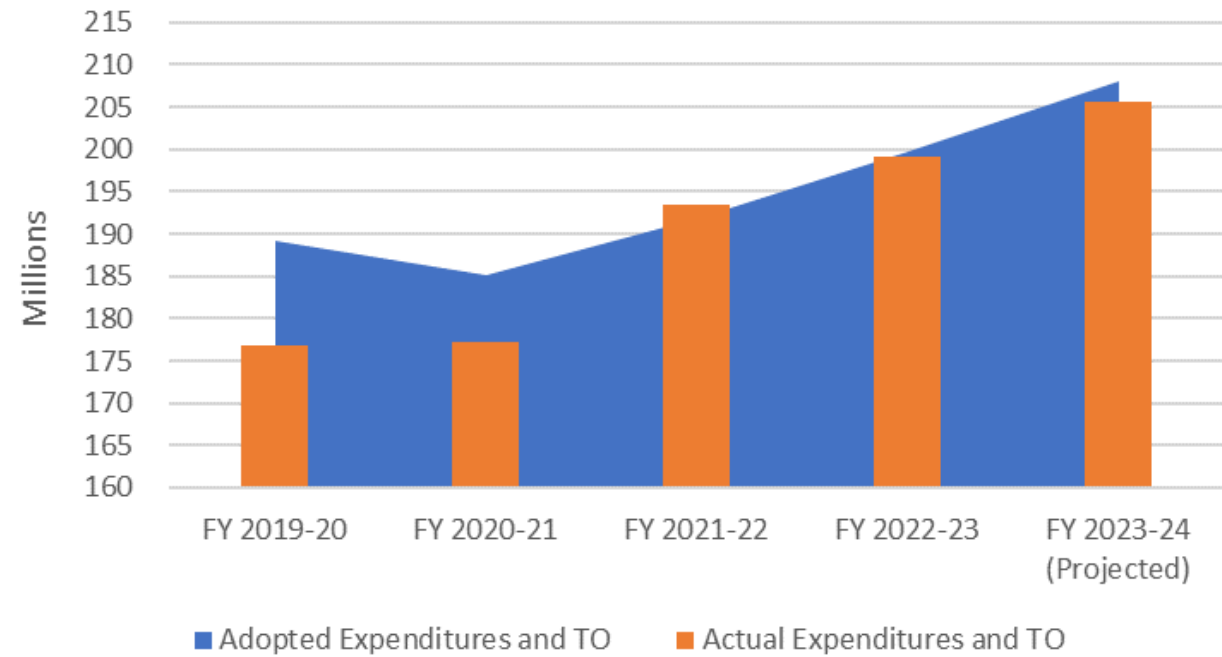
Description	Amount
Recurring Revenues	\$199,442,133
Transfers In	2,876,247
Total Revenues & Transfers In	\$202,318,380
Operating Expenditures	197,191,350
Transfers Out	8,502,211
Total Expenditures & Transfers Out	\$205,693,561
Total Operational Deficit	(\$3,375,181)

5-Year Lookback

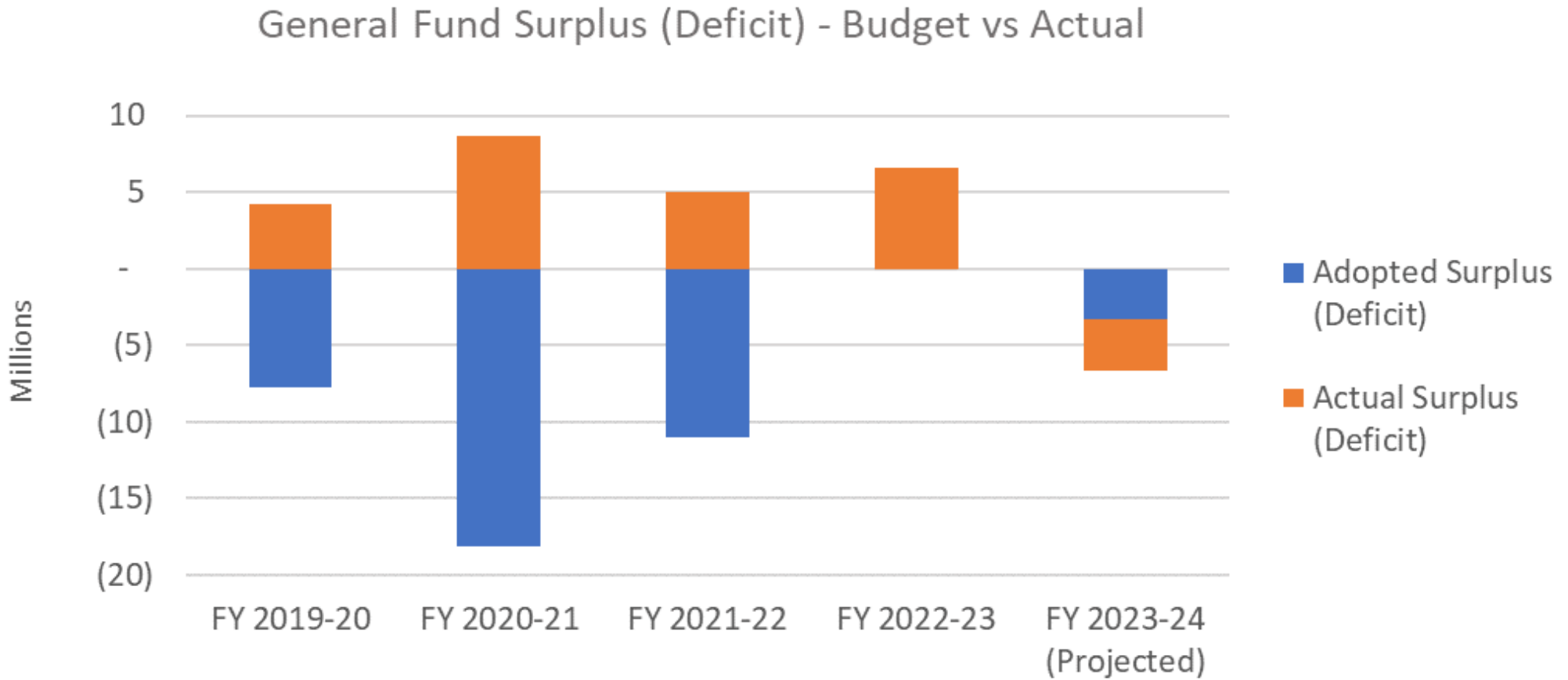
GF Revenue - Budget vs Actual



GF Expenditures - Budget vs Actual



5-Year Lookback



5-Year Outlook

	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
Revenues	\$213.0	\$218.4	\$225.2	\$230.6	\$235.7
Transfers In	2.3	2.4	2.4	2.5	2.6
Total Revenues & TI	\$215.3	\$220.8	\$227.6	\$233.1	\$238.2
Expenditures	211.9	215.5	224.3	232.8	242.0
Transfers Out	8.4	9.8	10.0	10.2	9.8
Total Expenditures & TO	\$220.2	\$225.3	\$234.3	\$243.0	\$251.8
Surplus (Deficit)	(\$4.9)	(\$4.6)	(\$6.6)	(\$9.9)	(\$13.6)
	\$500K General Fund Subsidy to Golf Course	ARPA funds for Homeless Services expire, +\$1.7M annual Transfer Out	Election Year - additional \$600K in Professional Services	Labor Negotiations - additional \$500K in Professional Services	\$665K rev & exp for Roseland Pvmnt Maintenance from SoCo discontinued
	Labor Negs (\$500K); Elections (\$600K)	No BVGC Transfer	No BVGC Transfer	No BVGC Transfer	No BVGC Transfer
		\$1.3M RedCom contract paid by M/H			

Questions?



City of Santa Rosa

Text File

File Number: 24-004LTF

Agenda Date: 4/25/2024

Version: 1

Status: In Committee

In Control: Long-Term Financial Policy and Audit Subcommittee

File Type: LTF- Agenda Item

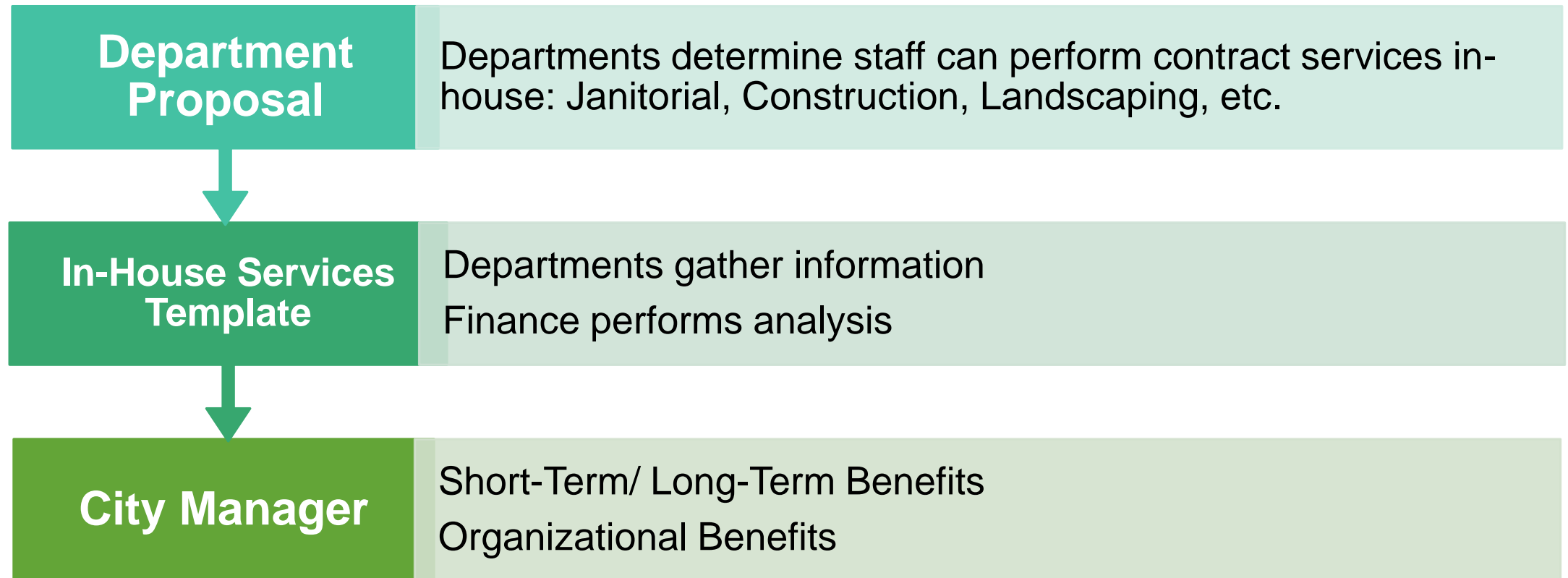
Agenda Number: 4.2

In-House Services Cost Benefit Analysis

FINANCE SUBCOMMITTEE
APRIL 25, 2024

ALAN ALTON, CHIEF FINANCIAL OFFICER
VERONICA CONNER, BUDGET MANAGER

In-House Service Proposal Process



In House Services - Cost Analysis

Please complete the form below by providing information about the services the City may consider performing in-house in lieu of contract services. Populating all necessary information will help the Finance department thoroughly evaluate the costs and benefits of this proposal. Please see additional tabs for Object Code

BUDGETED CONTRACTS

Please list all contracts for outside/ professional services (and other costs) that can be eliminated from the current budget in order to bring operations in-house

Fund	Key	Object	Description	Contract #	Multi-year contract Y/N?	Annual Increase Y/N?	Expiration Date	Year 1	Year 2	Year 3
								\$ -	\$ -	\$ -

ESTIMATED COSTS

Please list all FTEs, Services, Supplies and Capital Expenditures needed with the addition of this service. Drop down menus indicate additional detail of costs such as management structure of FTEs, one-time cost or ongoing, needed in the replacement program, etc.

FTEs[illegible]

FTE Costs - Budget Team Only

	Salaries	Benefits	Total
			-
			-
			-
			-
			-
			-
			-
			-
al	-	-	-28

Total

In-House Services Cost Analysis – Cont.

SERVICES AND SUPPLIES

Fund	Key	Object	Description	Amount	Cost type	Replacement of Capital Item?

CAPITAL EXPENSES

Fund	Key	Object	Description	Amount	Useful Life (years)	Replacement Needed?

SERVICES AND SUPPLIES - Amount

Year 1	Year 2	Year 3
-		
-		
-		
-		
-		
-		
-		
Total	-	-

CAPITAL EXPENSES - Amount

Year 1	Year 2	Year 3
-		
-		
-		
-		
-		
-		
Total	-	-

Total Net Savings (Cost)

\$ - \$ - \$ -

Additional Questions for Departments

- Will bringing services in-house have any legal ramifications, or require the opinion or input from the City Attorney's Office?
- What date is proposed for the start of services in-house?
- Will any lead time or training time be required prior to services being executed?
- Are there any risks associated with bringing the services in-house? Examples include liability of staff, dangerous working conditions, capabilities or professional training that may be difficult to curate and recruit, etc.?
- Any additional information regarding the existing contract or proposed services that should be included or discussed?

Questions?