



COUNCIL BUDGET & FINANCE COMMITTEE MEETING
Meeting Minutes of April 16, 2025

Call to Order: 5:32 p.m.

Members Present: Mayor Salinas, Councilmember Syrop, and Councilmember Bonilla Jr.

Members Absent: None

Staff: Dr. Ana Alvarez, Sharif Etman, Christina Crosby, Franchesca Hatfield, Nicholas Mullins, Crissy Mello

Guests: None

Public Comments: None

1. Approval of Meeting Minutes from March 19, 2025
Action: Minutes reviewed and unanimously approved.
2. FY 2026 Proposed Budget Discussion (Oral Report)
 - Interim Finance Director Etman presented
 - Councilmember Syrop Questions:
 - 1) Is there a change in practice regarding vacancy savings utilization?
 - a) Yes, we've put in a 5% vacancy savings rate. Historically, vacancy savings were utilized by departments to be able to keep intact operations, which is not good practice. This created an opportunity to discuss good public financing. The allocation of the savings belongs to the elected officials. We are doing a course correction. Moving forward we will be putting the control measures to realize the savings.
 - 2) Is it necessary to utilize language regarding recession?
 - a) This is the best-case scenario. We want to be mindful of what the future holds.
 - 3) Is it possible to manage the overtime per person for good policy?
 - a) Depending on the work unit and kind of work, there are control measures we can put in place to manage overtime. We are legally required to pay people for overtime worked and we are required to manage the overtime and how it is distributed. It depends on each work unit. There are other control measures we can look at.
 - Councilmember Bonilla Jr. Questions:

1) What and when are we having a discussion on the approach to minimize this deficit? Is it before July?

(i) Part of the discussion is happening now regarding this year's budget. Dr. Alvarez is currently reviewing everything against our budget such as recruitment. A TOT increase recommendation is also coming to Council in May for review for potential revenue increase. In addition, there are other things we can do that needs to be timed correctly. Structural change will take years. It involves policies, practices, and rightsizing through program evaluation.

- Mayor Salinas Questions:

A. What is our OPEB right now? Where does our OPEB fall in this equation?

a. The last few years we have been overpaying our ARC about 3 million above our PayGo. Interim Director Etman recommends lowering our additional contribution by half from 3 million to 1.5 million to lower the deficit. We can revisit increasing our additional contribution during Midyear or Fall revision. Even though we've lowered it by half, we reviewed it against our actuarial and we still have our implicit subsidy benefit.

Action: The Committee received the oral report and provided feedback.

3. Review and Approve the FY 2024-25 Agenda Planning Calendar

- When we discuss debt service in May, Councilmember Syrop would like to see how the debt service would look if we moved forward with potential loans.

Action: The Committee reviewed the calendar and provided feedback.

Committee Members/Staff Announcements: None.

Adjournment: The meeting was adjourned at 6:23 p.m.