



# City of San Leandro

Meeting Date: September 28, 2020

## Staff Report

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**File Number:** 20-423

**Agenda Section:** ACTION ITEMS

**Agenda Number:** 10.A.

**TO:** City Council

**FROM:** Jeff Kay  
City Manager

**BY:** Susan Hsieh  
Finance Director

**FINANCE REVIEW:** Susan Hsieh  
Finance Director

**TITLE:** Staff Report for the City of San Leandro City Council to Receive the Proposed Community Advisory Budget Task Force Work Plan and Adopt Resolution Appointing Members to the Task Force

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### SUMMARY AND RECOMMENDATION

Staff recommends that the City Council review and comment on the proposed Community Advisory Budget Task Force work plan and adopt the associated City Council Resolution appointing members to the 28-person Task Force.

### BACKGROUND

On July 21, 2020, the City Council created the Community Advisory Budget Task Force (Task Force), to seek the input of residents and stakeholders and make recommendations to the City Council on community priorities and strategies to maintain a high quality of service delivery while taking tangible steps to reduce ongoing budget deficits. The City Council further directed the Task Force to focus on changes necessary to rebalance the City budget considering budget deficits, the COVID-19 pandemic, the accompanying shelter-in-place orders, and the reallocation of a portion of the Police Department budget.

### DISCUSSION

The following summarizes the mission for the Task Force:

- Develop an understanding of the City's budget and fiscal issues;
- Provide input on community priorities and develop recommendations on fiscal strategies and program delivery that ensure a balanced budget and reflects those priorities;
- Make recommendations to enhance public understanding of the City budget and community input into the budget development

process;

- Make recommendations for the most efficient and effective reallocation of funding that was recently deducted from the Police Department budget; and
- Make recommendations to help achieve a long-term, sustainable budget through reducing expenditures and/or increasing revenues.

Attached to this staff report is the proposed Budget Task Force work plan. The work plan was reviewed by the Finance Committee on September 9, 2020. The Committee emphasized the importance of having an organized and comprehensive program in place for the Task Force. This structure will ensure successful meetings and a positive experience for Task Force members.

It is currently anticipated that the City Council will appoint members to the Budget Task Force at its September 28, 2020 meeting. A corresponding City Council resolution affirming those appointments is also included within the City Council agenda packet for this agenda item. If appointments are finalized, the first Budget Task Force meeting can be scheduled for October 14, 2020. The work plan provides for a total of 10 Task Force meetings. This schedule would allow the Task Force's recommendations to inform the City's Fiscal Year 2021-2022 and 2022-2023 Biennial Budget. Staff proposes that the Budget Task Force meet approximately twice each month from October 2020 through March 2021 with the exception of November and December when they would meet once each month. This proposed schedule could be subject to minor modifications if necessary during the course of the upcoming several months based on the task force's progress toward achieving its above-stated mission.

### **Brown Act and Statements of Economic Interest**

California Govt. Code Sec. 54952(b) provides that a decision-making or advisory commission, committee, or board of the City Council, whether permanent or temporary, created by ordinance, resolution, or formal action of the City Council would be subject to the Brown Act. These requirements mean that all meetings will be properly noticed and include opportunities for public input, among other requirements.

In addition, the City Attorney has concluded that members of the Task Force will be required to fill out the FPPC Statement of Economic Interest, commonly referred to as the Form 700, under the broadest disclosure category in the City's conflict of interest code (Category 1 - SLAC 4.2.115). This category appears the most appropriate fit for the Committee's description, duties, and responsibilities. However, the City Council has discretion to determine if this is not necessary and set a more tailored interim disclosure requirement.

### **FISCAL IMPACTS**

The task force will require significant staff time in the form of administrative and technical support (scheduling and preparing agendas and minutes, and preparing and communicating meeting materials). Their work is not expected to result in direct fiscal impacts. Staff may seek professional facilitators to assist with some of the meetings, if necessary.

### **ATTACHMENT**

Proposed Budget Task Force Work Plan

**PREPARED BY**

Susan Hsieh, Finance Director

**Budget Task Force**  
City of San Leandro  
Established by the City Council September 28, 2020

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The City Council created the Community Advisory Task Force, known as the Budget Task Force, to give community input to the City Council regarding the City budget and related fiscal matters. Guidance shall focus on changes necessary to rebalance the City budget considering budget deficits, the COVID-19 pandemic and accompanying shelter-in-place orders, and the reallocation of a portion of the Police Department budget.

The following summarizes the mission for the Budget Task Force:

- Develop an understanding of the City’s budget and fiscal issues.
- Provide input on community priorities and develop recommendations on fiscal and program strategies that ensure a balanced budget that reflects those priorities.
- Make recommendations to enhance public understanding of the City budget and community input into the budget development process.
- Make recommendations for the most efficient and effective reallocation of funding that was recently deducted from the Police Department budget.
- Make recommendations to help achieve a long-term, sustainable budget through reducing expenditures and/or increasing revenues.

**Tentative Task Force Work Plan**

Session 1	<p><b>Task Force Member Orientation</b></p> <ul style="list-style-type: none"> <li>• Welcome and self-introductions</li> <li>• Review mission statement, workplan, and schedule</li> <li>• Review Brown Act</li> </ul> <p><b>Develop Understanding of City Budget and Fiscal Issues</b></p> <ul style="list-style-type: none"> <li>• Receive overview of City General Fund budget, fund accounting, line item budget format.</li> </ul>
Session 2	<p><b>Develop Understanding of City Budget and Fiscal Issues</b> (continued)</p> <ul style="list-style-type: none"> <li>• Review City General Fund budget</li> <li>• Analyze approved revenues and expenditures for 2020-21</li> <li>• Review Department operating budgets, presentations (3)</li> </ul>
Session 3	<p><b>Task Force Organization</b></p> <ul style="list-style-type: none"> <li>• Select Chairperson and Vice Chair</li> </ul>

	<p><b>Develop Understanding of City Budget and Fiscal Issues</b> (continued)</p> <ul style="list-style-type: none"> <li>• Review Department operating budgets, presentations (3)</li> <li>• Review General Administration department budgets</li> <li>• Consider City fiscal issues (CalPERS retirement, 2020 ballot measure, street maintenance, CIP)</li> <li>• Consider Other City funds</li> </ul>
Session 4	<p><b>Understanding the Police Department Budget and the Efficient and Effective Re-Allocation of Funds Deducted from Police Budget</b></p> <ul style="list-style-type: none"> <li>• Review City Council discussion and concepts</li> <li>• Review Police operating budget presentation</li> <li>• Compare Police budget with other neighboring city police budgets</li> </ul>
Session 5	<p><b>Understanding the Police Department Budget and the Efficient and Effective Re-Allocation of Funds Deducted from Police Budget</b> (Continued)</p> <ul style="list-style-type: none"> <li>• Consider focused policing issues (police in schools, coalition on homeless, CATT mental health services) and budget considerations</li> <li>• Develop re-allocation strategies for funds deducted</li> <li>• Formulate provisional Police budget reallocation recommendations</li> </ul>
Session 6	<p><b>Provide Input on Community Priorities and Develop Recommendations on Fiscal and Program Strategies Ensuring Balanced Budget</b></p> <ul style="list-style-type: none"> <li>• Receive brief General Fund 5 year budget refresher</li> <li>• Analyze City budget deficit, long-term budget forecast</li> <li>• Receive briefing on City budget balancing measures implemented over last 10-years</li> </ul>
Session 7	<p><b>Provide Input on Community Priorities and Develop Recommendations on Fiscal and Program Strategies Ensuring Balanced Budget</b> (Continued)</p> <ul style="list-style-type: none"> <li>• Discuss community program/service priorities including CIP</li> <li>• Develop strategies ensuring balanced budget</li> <li>• Formulate provisional balanced budget recommendations</li> </ul>
Session 8	<p><b>Make Recommendations to Help Achieve Long-Term Sustainable Budget Through Reducing Expenditures and/or Increasing Revenues</b> Continued)</p> <ul style="list-style-type: none"> <li>• Consider expenditure reducing strategies</li> <li>• Consider revenue increase alternatives</li> <li>• Develop long-term, sustainable strategies for expenditures/revenues (review best-practice strategies)</li> <li>• Formulate provisional reducing expenditures/increasing revenues recommendations</li> </ul>

<p>Session 9</p>	<p><b>Make Recommendations Enhancing Public Understanding of City Budget and Community Input into the Budget Development Process</b></p> <ul style="list-style-type: none"> <li>• Study budget development process</li> <li>• Review traditional community input opportunities</li> <li>• Consider GFOA recommendations, survey other cities, look to best practices</li> <li>• Develop strategies for public understanding and community engagement</li> <li>• Formulate provisional budget public understanding and input recommendations</li> </ul>
<p>Session 10</p>	<p><b>Task Force Wrap-Up, Consider Recommendations for the City Council</b></p> <ul style="list-style-type: none"> <li>• Finalize recommendations for Police budget re-allocation</li> <li>• Finalize recommendations for balanced budget</li> <li>• Finalize recommendations for reducing expenditures/increasing revenues</li> <li>• Finalize recommendations for budget public understanding and community input</li> <li>• Task Force work plan wrap up and debrief</li> </ul>



# City of San Leandro

Meeting Date: September 28, 2020

## Resolution - Council

**File Number:** 20-430

**Agenda Section:** ACTION ITEMS

**Agenda Number:**

**TO:** City Council

**FROM:** Jeff Kay  
City Manager

**BY:** City Council

**FINANCE REVIEW:** Not Applicable

**TITLE:** RESOLUTION of the City of San Leandro City Council Appointing Representatives to the Community Advisory Budget Task Force

The City Council of the City of San Leandro RESOLVES as follows:

That the following 28 people are hereby appointed as Representatives to the Community Advisory Budget Task Force:

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