
AGENDA

FINANCE MANAGEMENT SUBCOMMITTEE

Friday, August 18, 2023

3:30 PM Pacific Time (US and Canada)

Council Chamber Conference Room
3rd Floor
65 Civic Avenue
Pittsburg, CA 94565

Subcommittee Members

Shanelle Scales-Preston, Mayor
Juan Banales, Vice Mayor

1. Public Comment for Non-Agenda Items

2. Overview of Subcommittee Agenda Formatting

3. Chandler Asset Management Discussion

Chandler Asset Management representative, Carlos Oblites, will provide the Subcommittee with a presentation regarding the City's consideration of renewing the City's contract to manage its investment portfolio. *Subcommittee feedback requested.*

4. Budget Review – July

Staff will provide the Subcommittee with an overview of the 2023-2024 Fiscal Year Budget for the month of July. *Subcommittee feedback requested.*

5. ARPA / General Fund / Measure M Update

Staff will provide the Subcommittee with an update related to the City of Pittsburg's ARPA, General Fund and Measure M. *Subcommittee feedback requested.*

6. Non-Agenda Items

7. Adjournment



MEMORANDUM

To: Finance Management Subcommittee

From: Paul Rodrigues, Finance Director

Re: **Agenda Item No. 3**

Item No. 3: Chandler Asset Management Discussion

1. Chandler Asset Management (Chandler) has served as the City of Pittsburg's investment advisor since 2018. Public Financial Management (PFM) was the City's previous investment advisor. Chandler has provided excellent investment advice and service as the City's investment advisor. Staff and the City Treasurer meet at least quarterly with Chandler to review the City's investment portfolio and to strategize future investments based upon the City's cash needs.

Staff and the City Treasurer met with Chandler representative Carlos Oblites to discuss extending the City's contract with Chandler for an additional five years. The City Treasurer was receptive to this extension, but both the City Treasurer and Staff felt it was appropriate to bring this item before the Finance Management Subcommittee.

Carlos Oblites will provide the Subcommittee with a presentation regarding the City's consideration of renewing its contract with Chandler to manage its investment portfolio.

Both Staff and the City Treasurer recommend extension of the contract. *Subcommittee feedback is requested.*



MEMORANDUM

To: Finance Management Subcommittee

From: Paul Rodrigues, Finance Director

Re: **Agenda Item No. 4**

Item No. 4: Budget Review July

1. Staff has been providing the Finance Management Subcommittee with monthly budget reports since the Covid-19 pandemic. The report compares the year to date revenues and expenditures to the annual budget.

The Subcommittee has found this report to be helpful in identifying trends and items which require a closer examination to determine if budget adjustments are required. Many revenues and expenditures are received or expended on a consistent monthly basis, while other revenues and expenditures are received on an annual or quarterly basis.

Staff will present a brief presentation highlighting many of the City's funds and departments. *Subcommittee feedback is requested.*



MEMORANDUM

To: Finance Management Subcommittee

From: Paul Rodrigues, Finance

Director **Re: Agenda Item No. 5**

Item No. 5: ARPA / General Fund / Measure M Update

1. Over the past two years, beginning with the notification that the City would be receiving about \$16.3 million dollars in American Rescue Plan Act (ARPA) proceeds as part of the federal government's efforts to combat the fiscal effect of the Covid19 pandemic, staff and the City Council have identified a list of projects and other expenditures to potentially expend the ARPA funds.

Concurrently, two other funding sources or buckets were identified; \$9.6 million of General Fund reserves (later reduced to \$7.85 million) and about \$6 million of Measure M revenues over the course of three years in excess of a City Council identified annual spending cap of \$5.1 million.

With three identified funding buckets, staff and the City Council identified a larger list of projects and other expenditures. Presented today is a list of projects that have been identified and sorted by those projects that have been approved by the City Council with funding allocated.

As time has passed, circumstances have changed; the December 2022 and March 2023 storms are estimated to have caused about \$4 million in damage to City infrastructure. Financial projections have also changed. The news that Alstom/Bombardier is ceasing its production of BART car construction at its Pittsburg location as of September 30, 2023 will also have an impact on sales tax revenues.

The federal government has also changed the ARPA spending rules to include the expansion of allowable expenditures to include some CDBG projects, surface transportation projects, and natural disaster emergency relief.

With these changes in mind, staff is mindful that City Council directed projects may change. Ultimately, any changes recommended by the Finance Subcommittee will return to the entire City Council for ratification. *Committee feedback is requested.*
