

## City Council

Mayor Jill McLewis  
Vice Mayor Sandra Maurer  
Councilmember Phill Carter  
Councilmember Neysa Hinton  
Councilmember Stephen Zollman



**City of Sebastopol**

City Manager

Mary Gourley

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Administrative Services Director

Ana Kwong

[akwong@cityofsebastopol.gov](mailto:akwong@cityofsebastopol.gov)

## Budget Committee

Vice Mayor Sandra Maurer  
Councilmember Phill Carter

Meeting of Monday May 18, 2026

## BUDGET COMMITTEE

### MINUTES FOR MEETING OF May 18, 2026

#### Call to Order **1:00 pm**

#### Roll Call

#### Budget Committee:

Sandra Maurer – Vice Mayor

Phill Carter – Councilmember

#### Staff:

Mary Gourley – City Manager

Ana Kwong – Administrative Services Director

Oriana Hart – Public Works Director

Jane Riley – Interim Planning Director

Steve Brown – Building Official

#### Zoom Participants:

Sean McDonagh – Police Chief

Mike Meyer – NHA Advisors

Eric Scriven – NHA Advisors

**LAND ACKNOWLEDGEMENT:** The City of Sebastopol acknowledges that we live and work within the unceded ancestral homelands of the Southern Pomo and the Coast Miwok people. We pay our respect to the past, present, and future generations of these peoples, including the Federated Indians of Graton Rancheria.

**Public Comment – None**

**CONSENT:** The consent agenda consists of items that are routine in nature and do not require additional discussion by the Committee or have been reviewed by the Committee previously.

1. Approval of Budget Committee meeting of May 11, 2026 - **Approved**

**INFORMATIONAL ITEMS/PRESENTATIONS:** *Informational Items or Presentations are items that are informational only and do not require action by the Committee. **Presentations should be limited to ten (10) minutes total in length of item (total length includes questions of Committee to presenter).***

2. Pension Update and Long Term Funding Considerations – NHA Consultant
  - NHA Advisors provided an update on the City's pension obligations and long-term funding strategy.
  - The presentation focused on the City's current pension position, including:
    - i. An overview of liabilities and required contributions based on the most recent actuarial data

- ii. Trends in employer contribution rates and factors driving future cost increases
  - iii. The impact of investment performance and economic assumptions on long-term obligations
- NHA also discussed long-term funding considerations, including:
  - i. Strategies to stabilize pension costs over time and reduce volatility in annual contributions
  - ii. Options for additional discretionary payments to reduce unfunded liabilities
  - iii. The role of the Section 115 Trust as a tool to set aside funds and offset future pension costs
  - iv. Recommendation to move forward with scenario 2, with an emphasis on preserving as much of the principal in the trust as possible to help absorb future cost spike
- The Committee discussed and supported the importance of:
  - i. Maintaining a sustainable funding plan that balances near-term budget constraints with long-term liabilities
  - ii. Continuing to monitor pension performance and actuarial updates annually
  - iii. Aligning pension funding decisions with overall City financial policies and budget priorities
  - iv. The item will be presented at the June 2, 2026 City Council meeting, and the Committee supports Scenario 2, with the goal of ultimately transitioning to Scenario 3 as part of the City's long-term financial planning strategy.

## **REGULAR CALENDAR AGENDA ITEMS (DISCUSSION AND/OR ACTION)**

3. **Update and Discussion on 911 System Upgrade and Funding Considerations through CalOES**
  - Staff provided an update on the proposed 911 system upgrade and potential funding opportunities through the California Office of Emergency Services (CalOES).
  - The discussion focused on the need to modernize the City's emergency communications system to ensure reliability, compliance with statewide standards, and improved service delivery.
  - Key topics included:
    - i. Scope of the upgrade, including potential improvements to dispatch capabilities and system infrastructure
    - ii. Funding opportunities through CalOES, including grant eligibility and reimbursement considerations
    - iii. Financial impact to the City, including any required local match or ongoing maintenance costs
  - The Committee discussed the importance of:
    - i. Ensuring the system remains current and compliant with evolving 911 requirements
    - ii. Understanding the long-term cost implications beyond initial grant funding
    - iii. Coordinating with regional or partner agencies, where applicable, to maximize efficiency
  - The item will be presented at the June 2, 2026 City Council meeting for recommendation of filing and meeting application deadline of June 9, 2026.
4. **FY2026-27 Proposed Budget – Agenda Item No. 7 (Continued from May 11, 2026 Meeting)**
  - The Committee continued its detailed review of the proposed FY 2026–27 budget.
  - The discussion focused on refining department budgets and ensuring spending aligns with the City's financial limits and key service priorities.
  - The Committee recommended revising the budget message to clarify that the meetings covered broader topics beyond the budget, as the current language suggests a budget-only focus.
  - The Committee also recommended updating the justification page titles to clearly reflect FY 2026–27, rather than referencing worksheet totals, for better clarity.
  - It was noted that the budget does not appear to reflect the recent appointment of the City Manager and should be updated accordingly.
  - Minor change to increase Ives Pool budget to include solar cell replacement for \$8K
  - Minor changes to 2 CIP projects (flood and sewer funding sources no impact on general fund)
  - The Committee requested a break down of legal costs

- The Committee requested additional clarity on Council goals by identifying what is funded versus what is not included in the proposed budget.
- The Committee also recommended providing a simple, easy-to-understand explanation of how the City plans to address the budget deficit.

## 5. NEXT STEPS / FUTURE MEETINGS

- Next meeting dates
  - May 27, 2026 – 10:00AM – recently added
  - June 8, 2026 – 10:30AM
- Future agenda items for consideration

## 6. ADJOURNMENT OF MEETING 3:20 pm

American Disability Act Accommodations/Accessibility: A request can be made orally or in writing, and submitted to the ADA Coordinator by email: [building@cityofsebastopol.gov](mailto:building@cityofsebastopol.gov) or to the City Clerk’s Office so as to avoid delay in reviewing and processing the request. Requests can be made by contacting the ADA Coordinator’s Office at (707) 823-8597, via email at [building@cityofsebastopol.gov](mailto:building@cityofsebastopol.gov) or by mailing such a request to the ADA Coordinator’s Office located at 7425 Bodega Avenue, Sebastopol, CA. Note that if you contact the ADA Coordinators Office, via mail, you need to make the request early enough that a response can be timely provided.

### Government Code Section 54953.

(a) All meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting of the legislative body of a local agency, except as otherwise provided in this chapter.

(b) (1) Notwithstanding any other provision of law, the legislative body of a local agency may use teleconferencing for the benefit of the public and the legislative body of a local agency in connection with any meeting or proceeding authorized by law. The teleconferenced meeting or proceeding shall comply with all requirements of this chapter and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding.

(2) Teleconferencing, as authorized by this section, may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the legislative body. All votes taken during a teleconferenced meeting shall be by rollcall.

*This in person and virtual/remote meeting is compliant with the Governor’s Executive Order allowing for a deviation of teleconference rules required by the Brown Act. Traditional Brown Act and AB 2449 requirements can be utilized for all City meetings as long as required notice and posting is conducted per the Brown Act.*

*Please Note the presiding member of the legislative body conducting a meeting or their designee may remove, or cause the removal of, an individual for disrupting the meeting.*

*Prior to removing an individual, the presiding member or their designee shall warn the individual that their behavior is disrupting the meeting and that their failure to cease their behavior may result in their removal. The presiding member or their designee may then remove the individual if they do not promptly cease their disruptive behavior. This paragraph does not apply to any behavior described in subparagraph (B) of paragraph (1) of subdivision (b).*

*(b) As used in this section:*

*(1) “Disrupting” means engaging in behavior during a meeting of a legislative body that actually disrupts, disturbs, impedes, or renders infeasible the orderly conduct of the meeting and includes, but is not limited to, one of the following:*

*(A) A failure to comply with reasonable and lawful regulations adopted by a legislative body pursuant to Section 54954.3 or any other law.*

*(B) Engaging in behavior that constitutes use of force or a true threat of force.*

*(2) “True threat of force” means a threat that has sufficient indicia of intent and seriousness, that a reasonable observer would perceive it to be an actual threat to use force by the person making the threat.*

How can I provide Public Comment on Zoom?

The Chair of this meeting will request public comment.

USING A COMPUTER OR SMART PHONE:

- Click on the “Raise Hand” feature in the webinar controls. This will notify City staff that you have raised your hand and you would like to speak.
- City staff will unmute your microphone when it is your turn to provide public comment.
- A prompt will appear to confirm you would like to be unmuted. Once you accept the prompt, you will have two minutes to provide public comment.
- Once your public comment has ended, you will be muted again.

USING A REGULAR PHONE:

- Dial \*9 (star 9), this will notify City staff that you have “raised your hand” for public comment.
- City staff will unmute your microphone when it is your turn to provide public comment. \*6 (star 6) is used to mute/unmute.
- You will hear “you are unmuted” and then you will have two minutes to provide public comment.
- Once your public comment has ended, you will be muted again