

**MINUTES OF THE CITY OF COSTA MESA
FINANCE ADVISORY COMMITTEE
JUNE 30, 2015
3:30PM**

CALL TO ORDER

The meeting was called to order by the Mr. Shaw at 3:31 p.m. in Conference Room 5A at Costa Mesa City Hall, 77 Fair Drive, Costa Mesa, California.

ROLL CALL

Members Present: Chair Terry Shaw, Vice-Chair Jim Fisler, Members: Jeff Arthur, Howard Hull, Robert Juneman, Tom Pollitt (arrived at 4:25), Colin Smith

Staff Present: Interim Finance Director Stephen Dunivent, Assistant Finance Director Colleen O'Donoghue, Revenue Supervisor Jennifer King, Executive Secretary Kathy Ulrich

Members Absent: Members: Richard Riva, Mayor's Designee Katrina Foley, CEO Tom Hatch

PUBLIC COMMENTS

There were no public comments.

MEMBER'S REPORTS, COMMENTS, AND SUGGESTIONS

Mr. Hull informed the Committee that he spoke to Diane Harkey, Member of the Board of Equalization, to come speak to the Committee, if interested.

Mr. Shaw commented about the City of Irvine eliminating their business license fees.

Mr. Dunivent reported about Member Christopher Graham. Mr. Graham had orally indicated he was resigning from the Committee and would be sending in a written resignation. A motion was made by Mr. Smith, seconded by Mr. Arthur to accept Mr. Graham's oral resignation.

The motion carried, by the following roll call vote:

Ayes: Terry Shaw, Jim Fisler, Jeff Arthur, Howard Hull, Bob Juneman, Colin Smith

Nays: None

Absent: Richard Riva, Tom Pollitt, Katrina Foley, Tom Hatch

Abstain: None

Motion carried: 6-0-4-0

APPROVAL OF MINUTES

1. Meeting of May 26, 2015 –
Moved/Second: Howard Hull/Terry Shaw
The motion carried, by the following roll call vote:
Ayes: Terry Shaw, Jeff Arthur, Howard Hull, Bob Juneman
Nays: None
Absent: Richard Riva, Tom Pollitt, Katrina Foley, Tom Hatch
Abstain: Jim Fidler, Colin Smith
Motion carried: 4-0-4-2

NEW BUSINESS -

- a) ECONOMIC DEVELOPMENT VIDEO
Claire Flynn, Assistant Development Services Director presented an informative video from the Development Services department.

INTRODUCTION OF NEW FINANCE DEPARTMENT PERSONNEL –

Mr. Dunivent introduced new Purchasing staff; Kathleen Orozco, Purchasing Supervisor, Stephanie Urueta, Buyer, and Accounting staff: Marie Norman, Accountant.

OLD BUSINESS –

- a) UPDATE AND STATUS OF THE CAPITAL ASSET NEEDS (CAN) ORDINANCE
Mr. Dunivent informed the Committee that the CAN Ordinance was at the City Attorney's office for review.
- b) FTB/Business License Update
Ms. King updated the Committee on the status of business licenses – applications and on-line renewals, as well as the Franchise Tax Board (FTB) data sharing program.
- c) STATUS OF PART TIME POSITIONS
Per the request of the Committee at the last meeting, Mr. Dunivent distributed FY 14/15 and FY 15/16 Part-Time positions (Full-Time Equivalents).

OPEN DISCUSSION / FUTURE AGENDA ITEMS

- In regard to Mr. Graham's oral resignation, a motion was made by Mr. Pollitt, seconded by Mr. Juneman to ask the City Council to recommend an appointment to replace Mr. Graham's vacancy.
The motion carried, by the following roll call vote:
Ayes: Jim Fidler, Jeff Arthur, Howard Hull, Bob Juneman, Tom Pollitt, Colin Smith
Nays: Terry Shaw
Absent: Richard Riva, Katrina Foley, Tom Hatch
Abstain: None
Motion carried: 6-1-3-0

- Continue discussion of a dashboard on the City website for the FAC
- Funds/Purposes information from Finance

ADJOURNMENT - The meeting was adjourned at 4:54 p.m. to the regular meeting on July 28 at 3:30 p.m.



Terry Shaw, Chair



Stephen Dunivent, Interim Finance Director

**MINUTES OF THE CITY OF COSTA MESA
FINANCE ADVISORY COMMITTEE
AUGUST 25, 2015
3:30PM**

CALL TO ORDER

The meeting was called to order by the Mr. Shaw at 3:34 p.m. in Conference Room 1A at Costa Mesa City Hall, 77 Fair Drive, Costa Mesa, California.

ROLL CALL

Members Present: Chair Terry Shaw, Members: Jeff Arthur, Howard Hull, Robert Juneman, Tom Pollitt, Richard Riva

Staff Present: Interim Finance Director Stephen Dunivent, Assistant Finance Director Colleen O'Donoghue, Revenue Supervisor Jennifer King, Executive Secretary Kathy Ulrich

Members Absent: Vice-Chair Jim Fidler, Member: Colin Smith, Mayor's Designee Katrina Foley, CEO Tom Hatch

PUBLIC COMMENTS

There were no public comments.

MEMBER'S REPORTS, COMMENTS, AND SUGGESTIONS

Chair Shaw commented about the OC Register article regarding contract cities.

Mr. Juneman also had OC Register articles that he printed out for the Committee.

Mr. Arthur informed the Committee about the Pension Oversight Committee presentation from PARS (Public Agency Retirement) regarding a pre-fund trust, and commented about OCERS retirement.

Mr. Riva commented about the OC Register regarding contract cities.

Mr. Pollitt spoke about the Crime Presentation held at the Newport Mesa Tea Party meeting.

Mr. Hull attended the Pacific Pension Institute roundtable.

APPROVAL OF MINUTES

1. Meeting of June 30, 2015 –
 Moved/Second: Bob Juneman/Howard Hull
 The motion carried, by the following roll call vote:
 Ayes: Terry Shaw, Jeff Arthur, Howard Hull, Bob Juneman, Tom Pollitt
 Nays: None
 Absent: Jim Fisler, Colin Smith, Katrina Foley, Tom Hatch
 Abstain: Richard Riva
 Motion carried: 5-0-4-1

OLD BUSINESS -

There was no old business

NEW BUSINESS –

- a) CHANDLER QUARTERLY REPORT
 Mr. Jayson Schmitt and Ms. Mia Corral gave the Quarterly Investment Report for the City, period ending June 30, 2015.
- b) SUPRANATIONAL INVESTMENT OPTION
 Mr. Schmitt also introduced the option of Supranational Investments, something the Committee can contemplate and add to the Investment Policy. This was tabled for a future discussion.
- c) HdL SALES TAX UPDATE
 Mr. Dunivent presented the Sales Tax Information compiled by HdL, for the first quarter (January 2015-March 2015)

OPEN DISCUSSION / FUTURE AGENDA ITEMS

- UPDATE AND STATUS OF THE CAPITAL ASSET NEEDS (CAN) ORDINANCE
 Mr. Dunivent updated the Committee about the CAN Ordinance. The first reading is planned for the September 1, 2015 Council Meeting.

Mr. Dunivent also addressed the vacant positions request and presented a sample graph format for salaries and benefits that could be used as part of a “dashboard” summary of City financial information.


- BUSINESS LICENSE PROGRAM COSTS
 The Committee had requested information on the costs associated with the Business License program. Ms. King informed the Committee that Program utilizes a Permit Processing Specialist and a Cashier (part-time); for a total cost of \$163,000 for the \$900,000 revenue of business licenses, inclusive of other administrative costs.

- Mr. Pollitt requested vacant position cost savings to be used for expenditures (CIP, Pension, etc.). Mr. Riva made a motion, seconded by Mr. Juneman, to discuss cost savings expenditures at the next meeting. It was passed on a voice vote 6-0.
- Continue discussion of a dashboard on the City website for the FAC.
- Overview of City Special Funds and their purposes.

ADJOURNMENT - The meeting was adjourned at 5:20 p.m. to the regular meeting on September 29 at 3:30 p.m.



Terry Shaw, Chair



Stephen Dunivent, Interim Finance Director