

**MINUTES OF THE CITY OF COSTA MESA
FINANCE ADVISORY COMMITTEE
MAY 31, 2016
3:30PM**

CALL TO ORDER

The meeting was called to order by Mr. Fislser at 3:33 p.m. in Conference Room 1A at Costa Mesa City Hall, 77 Fair Drive, Costa Mesa, California.

ROLL CALL

Members Present: Members: Jim Fislser, Howard Hull, Robert Juneman, Tom Pollitt, Richard Riva, Ralph Taboada, Susan Tuchler, CEO Tom Hatch, Mayor's Designee Alternate Sandy Genis

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

Members Absent: Members Jeff Arthur, Steve Young, and Mayor's Designee TBD

Human Resources Manager, Lance Nakamoto addressed the Committee about the City's harassment policy and informed everyone that offensive correspondence was found in the conference room preceding the April 26th meeting. All members and staff are subject to this policy.

PUBLIC COMMENTS

Ms. Beth Refakes commented that all Committees and Commissions should be included in harassment training as they do in the private sector for all employees. She also suggested street work was needed on South Coast Drive near South Coast Plaza.

MEMBER'S REPORTS, COMMENTS, AND SUGGESTIONS

Mr. Juneman had a question about the Lehman Brothers distribution being lower than prior distributions. Also wondered about internet sales tax, and where do they go, in regard to cities.

Mr. Fislser reminded the Committee about the FAC scope of responsibilities and policies.

APPROVAL OF MINUTES

1. Meeting of April 26, 2016 –
Moved/Second with one edit: Jim Fisler/Richard Riva
The motion carried, by the following roll call vote:
Ayes: Jim Fisler, Howard Hull, Bob Juneman, Tom Pollitt, Richard Riva, Ralph Taboada, Susan Tuchler, CEO Tom Hatch
Nays: None
Absent: Jeff Arthur, Steve Young
Abstain: Sandy Genis
Motion carried: 8-0-2-1

OLD BUSINESS -

- a) FILLED AND VACANT POSITIONS UPDATE
Mr. Dunivent the Committee regarding the current filled and vacant information. He also included 2 additional reports with revenue and expenditures.
- b) BANKING SERVICES UPDATE
Ms. King updated the Committee on progress of JP Morgan Chase, the new bank for the City. The first payroll and the issuance of vendor checks was successful.

NEW BUSINESS –

- a) REVIEW OF THE FY 16-17 PROPOSED BUDGET
Mr. Dunivent gave a powerpoint presentation of the FY 16-17 budget. Much discussion followed.
- b) LIBRARY/NCC/PARK & FIRE STATION 1 FINANCING PLAN
Mr. Dunivent presented the agenda report to fund the Library/NCC/Park & Fire Station 1 project. Discussion and recommended edits were made. The agenda report is scheduled for the June 21 City Council Meeting agenda.

PUBLIC COMMENTS

- Ms. Beth Refakes voiced her concerns about the debt of this project and would like to see one debt paid before a new debt starts.
- c) MERITS OF INCLUDING PRIOR YEAR EXPENDITURES ON MULTI-YEAR CAPITAL PROJECTS IN THE BUDGET
This item was continued to the June 28, 2016 meeting.

OPEN DISCUSSION / FUTURE AGENDA ITEMS

- Stress test - Revenue Reduction Scenarios
- Presentation by Gary Armstrong – Business Development
- Fund balances
- CAFR 101
- CMFA MOU

ADJOURNMENT - The meeting was adjourned at 6:25 p.m. to the regular meeting on Tuesday, June 28, 2016 at 3:30 p.m.



Jim Fidler, Chair



Stephen Dunivent, Interim Finance Director