

**MINUTES OF THE CITY OF COSTA MESA
FINANCE ADVISORY COMMITTEE
JULY 26, 2016
3:30PM**

CALL TO ORDER

The meeting was called to order by Mr. Fisler at 3:35 p.m. in Conference Room 1A at Costa Mesa City Hall, 77 Fair Drive, Costa Mesa, California.

ROLL CALL

Members Present: Members: Jim Fisler, Howard Hull, Robert Juneman, Tom Pollitt (3:40pm), Richard Riva (3:45pm), Ralph Taboada, Susan Tuchler, Steve Young, CEO Tom Hatch (3:42pm), Mayor's Designee Alternate Sandra Genis (3:48pm)

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 and Mayor's Designee TBD

PUBLIC COMMENTS

Ms. Beth Refakes commented on the low rate of return reported by CalPERS and wondered what impact does it have on the City? Mr. Dunivent responded that there is no impact on this year's budget, it would affect the next fiscal year. The amount is unknown at this time and would be reflected in the next CalPERS valuation reports.

MEMBER'S REPORTS, COMMENTS, AND SUGGESTIONS

Mr. Fisler inquired about moving the Committee Member's reports, comments and suggestions to the end of the agenda. There was no response nor a motion to put it to a vote.

APPROVAL OF MINUTES

1. Meeting of June 28, 2016 –
 Moved/Second: Bob Juneman/Jim Fisler
 Ayes: Jim Fisler, Bob Juneman, Steve Young
 Nays: None
 Absent: Jeff Arthur, Tom Pollitt, Richard Riva, CEO Tom Hatch, Mayor's Designee and Alternate Designee
 Abstain: Howard Hull, Ralph Taboada, Susan Tuchler
 Motion failed: 3-0-6-3
 The approval of minutes of June 28, 2016 will be on the August 30, 2016 agenda.

OLD BUSINESS -

a) FILLED AND VACANT POSITIONS UPDATE

Mr. Dunivent updated the Committee regarding the current filled and vacant position information.

NEW BUSINESS –

a) CHANDLER ASSET MANAGEMENT QUARTERLY REPORT

Jayson Schmitt from Chandler Asset Management presented the quarterly report. It was a volatile quarter due to the European Brexit issue and he predicts the Feds may raise rates by the end of the year. A comment to add trading activity and move AAA to A for increased yield was suggested.

b) QUARTERLY SALES TAX UPDATE

Mr. Dunivent updated the Committee on the HdL sales tax report for the first quarter (January 2016 – March 2016).

c) SIGNATURE AUTHORITY & SECURITY

Ms. O'Donoghue and Ms. King informed the Committee on the security measures for the banking at the City of Costa Mesa. JPMorgan Chase has more security features than our previous bank, which includes the use of individual security tokens, online account access from designated computers only, payment templates, and two approvals for all payment transactions.


OPEN DISCUSSION / FUTURE AGENDA ITEMS

- The merits of including prior year expenditures on multi-year CAP projects in the budget book (Mr. Taboada)
- CMFA MOU Comparisons (Mr. Pollitt)
- CAFR 101
- Workers Compensation Updates

ADJOURNMENT - The meeting was adjourned at 5:10 p.m. to the regular meeting on Tuesday, August 30, 2016 at 3:30 p.m.



Jim Fidler, Chair



Stephen Dunivent, Interim Finance Director