

**MINUTES OF THE CITY OF COSTA MESA
FINANCE ADVISORY COMMITTEE
JUNE 28, 2016
3:30PM**

CALL TO ORDER

The meeting was called to order by Mr. Fisler 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 Fisler, Robert Juneman, Tom Pollitt, Richard Riva, Steve Young, CEO Tom Hatch

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, Howard Hull, Ralph Taboada, Susan Tuchler, and Mayor's Designee TBD

PUBLIC COMMENTS

There were no public comments.

MEMBER'S REPORTS, COMMENTS, AND SUGGESTIONS

Mr. Juneman distributed articles from the OC Register that will be emailed to the Members after the meeting.

APPROVAL OF MINUTES

1. Meeting of May 31, 2016 –
Moved/Second: Bob Juneman/Jim Fisler
The motion carried, by the following roll call vote:
Ayes: Jim Fisler, Bob Juneman, Tom Pollitt, Richard Riva, Steve Young, CEO Tom Hatch
Nays: None
Absent: Jeff Arthur, Howard Hull, Ralph Taboada, Susan Tuchler, Mayor's Designee
Abstain: None
Motion carried: 6-0-5-0

OLD BUSINESS -

a) FILLED AND VACANT POSITIONS UPDATE

Mr. Dunivent updated 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. New banking is going very well, and all prior banking services will close in 90 days.

NEW BUSINESS –

a) ECONOMIC DEVELOPMENT & REVENUE DIVERSITY

Mr. Gary Armstrong, Economic & Development Services Director, gave an informative presentation of the economic diversity and general plan changes in the City. Much discussion followed about the City's dependency of sales tax.

PUBLIC COMMENT

Ms. Beth Refakes agreed with the Committee that there is too much focus on retail, wages vs. housing in Costa Mesa, and the increase in online shopping/decrease in shopping at a mall.

b) CMFA: EXISTING MOU

This item was continued to a future meeting.

c) STRESS TEST REVENUE REDUCTION SCENARIOS

Mr. Dunivent reviewed scenarios for sales tax, property tax and transient occupancy tax as included in the March 3, 2015 Reserves Study.

d) FUND BALANCES

Mr. Dunivent distributed a handout in which he explained fund balance questions.

e) MERITS OF INCLUDING PRIOR YEAR EXPENDITURES ON MULTI-YEAR CAP PROJECTS IN THE BUDGET BOOK (RALPH)

This item was continued to a future meeting.

OPEN DISCUSSION / FUTURE AGENDA ITEMS

- CAFR 101
- CMFA MOU

ADJOURNMENT - The meeting was adjourned at 5:25 p.m. to the regular meeting on Tuesday, July 26, 2016 at 3:30 p.m.



 Jim Fiesler, Chair



 Stephen Dunivent, Interim Finance Director