

**MINUTES OF THE CITY OF COSTA MESA
FINANCE AND PENSION ADVISORY COMMITTEE
MAY 10, 2017
4:30PM**

CALL TO ORDER

The meeting was called to order by Mr. Fisler at 4:31 p.m. in Conference Room 1A at Costa Mesa City Hall, 77 Fair Drive, Costa Mesa, California.

ROLL CALL

Members Present: Chair Jim Fisler, Vice-Chair Ralph Taboada, Members John Hinson, Bob Juneman, Wendy Leece, Al Melone, Nick Peterson, Tom Pollitt, Rebecca Trahan, Anna Vrska, Mayor's Designee Sandra Genis

Staff Present: Interim Finance Director Stephen Dunivent, Assistant Finance Director Colleen O'Donoghue, Management Analyst Ray Hull, Budget Analyst Anna Baca, Budget Specialist Dustin Birn, Treasury Specialist Matthew Schmelzel, Executive Secretary Kathy Ulrich

Members Absent: Member Richard Riva

PUBLIC COMMENTS

Beth Refakes – Voiced her concern about pension costs and additional debt. Were the Council chambers and meeting room/print shop projects included in the budget? Mr. Dunivent answered that the projects were approved in the prior year and considered carry-over.

MEMBER'S REPORTS, COMMENTS, AND SUGGESTIONS

Mr. Melone attended the Budget Study Session and mentioned legal costs related to sober homes, suggests 80M in reserves.

Ms. Leece agrees with Mr. Melone and mentioned attending a Pension workshop on May 3, 2017

Mr. Juneman reminded members about the articles sent to them via email regarding pensions and South Coast Plaza.

Mr. Taboada agreed about pension comments and also mentioned the reserves being not available for all uses.

Mr. Fisler read the articles Mr. Juneman spoke about and would also like to look into policies, debts and reserves. He also let the Committee know that he spoke to a representative at South Coast Plaza and they have declined attending a meeting, as their Company information is not public.

APPROVAL OF MINUTES

1. Meeting of April 12, 2017 –
 Moved/Second: Ralph Taboada / Bob Juneman
 Ayes: Jim Fisler, John Hinson, Bob Juneman, Wendy Leece, Al Melone, Nick Peterson, Tom Pollitt, Ralph Taboada, Rebecca Trahan, Anna Vrska
 Nays: None
 Abstain: None
 Absent: Richard Riva
 Motion passed: 10-0-0-1

PENSION WORKING GROUP (PWG) -

a) SUBCOMMITTEE UPDATE

Mr. Taboada informed the Committee about the Pension Workshop that the League of California Cities-Orange County Division hosted at the City of Irvine. The five members of the PWG and Staff Member Ray Hull attended. He distributed a brief overview. Discussion followed.

OLD BUSINESS -

b) FILLED AND VACANT POSITIONS UPDATE

Chair Jim Fisler requested this item be passed, and members can read the report on their own.

NEW BUSINESS –

- FY 16-17 City Investment Policy

Ms. O'Donoghue explained the changes made to the City Investment Policy and the agenda report that will be taken to Council on June 6, 2017. A motion by Mr. Pollitt, seconded by Mr. Taboada to approve the Policy as to form was made. Motion carried 10-0.

- FY 17-18 PROPOSED BUDGET – 2ND LOOK

Mr. Dunivent showed the Committee more of the preliminary budget that was presented to City Council the prior night, on May 9, 2017.

The Committee wanted to discuss the proposed budget further and five (5) members volunteered to meet on May 24, 2017 to discuss. The five (5) members are: Jim Fisler, John Hinson, Wendy Leece, Tom Pollitt and Ralph Taboada

OPEN DISCUSSION / FUTURE AGENDA ITEMS

- Stress test for Finances (SCP)
- Self-Insurance update
- Transient Occupancy Tax (TOT) and Business License fees
- Ambulance Plan
- Debt Policy

ADJOURNMENT - The meeting was adjourned at 7:06 p.m. to the next regular Meeting of the Finance and Pension Advisory Committee on Wednesday, June 14, 2017 at 4:30 p.m.



Jim Fidler, Chair



Stephen Dunivent, Interim Finance Director