

**MINUTES OF THE CITY OF COSTA MESA
FINANCE AND PENSION ADVISORY COMMITTEE
FEBRUARY 14, 2018
4:00 PM**

1. CALL TO ORDER

The meeting was called to order by Mr. Fisler at 4:05 p.m. in Conference Room 1A at Costa Mesa City Hall, 77 Fair Drive, Costa Mesa, California.

2. ROLL CALL

Members Present: Chair Jim Fisler, Vice-Chair Ralph Taboada, Members John Hinson, Bob Juneman, Al Melone, Tom Pollitt, Rebecca Trahan (arrived at 4:30pm), Anna Vrska (arrived at 4:04pm), Sandra Genis, Mayor (arrived at 4:35pm)

Members Absent: Members Nick Peterson, Richard Riva, Wendy Leece

Staff Present: City Manager Tom Hatch, Finance Director Stacy Daugherty, Revenue Supervisor Anna Baca, Management Analyst Ray Hull, Budget Specialist Dustin Birn, Office Specialist I Lauren Clark

Staff Absent: Assistant Finance Director Colleen O'Donoghue

3. PUBLIC COMMENTS

Beth Refakes believes City Council needs to address Short-Term Rentals (STR) in the City as part of its Transient Occupancy Tax discussion before STRs get out of control.

4. MEMBERS REPORTS, COMMENTS, AND SUGGESTIONS

Mr. Taboada expressed concern that Costa Mesa monitor its Worker's Compensation payments. Mr. Hatch briefed the Committee on the City's 14-point strategy and process in place to monitor its Workers' Compensation payments.

5. STAFF REPORTS, COMMENTS, AND SUGGESTIONS

None.

6. APPROVAL OF MINUTES OF THE JANUARY 10, 2018 FIPAC MEETING

MOTION/SECOND: Ralph Taboada/Bob Juneman, with amendments

Ayes: Jim Fisler, Ralph Taboada, Bob Juneman, John Hinson, Al Melone, Rebecca Trahan, Anna Vrska, Tom Pollitt

Nays: None

Abstain: None

Absent: Richard Riva, Wendy Leece, Nick Peterson

Motion Passed: 8-0-0-3

7. OLD BUSINESS

a. Transient Occupancy Tax (TOT) Presentation for City Council February 27, 2018 Study Session

Ms. Trahan suggested Mr. Taboada present FIPAC's TOT materials to City Council at the Study Session. Mr. Taboada agreed to speak.

b. Filled & Vacant Position Update

Mr. Hull presented the Filled and Vacant Position Report through February 3, 2018.

8. NEW BUSINESS

a. Pension Stabilization Trust

Mr. Hinson suggested inviting either CalPERS staff or a subject matter expert in pension trust plans to brief the Committee on IRS Section 115 Trusts.

b. Mid-Year Report Review

Ms. Daugherty briefed the Committee on the FY 2017-18 Mid-Year Report Agenda Item going to City Council on February 27, 2018. Mr. Taboada requested information for each department's expenditures.

Mr. Taboada will be sending an email to Ms. Daugherty providing pension costs calculation software previously reviewed by the Pension Advisory Committee.

c. OC Fair Sales Tax Collection

Ms. Vrska provided her research on the OC Fair Sales Tax Collection. She suggested the City is not getting its fair share of taxes due to inaccurate reporting. Ms. Vrska suggested a procedure be implemented to track sales tax and gross receipts more accurately. She believes it is the OC Fair's responsibility to better track it.

Ms. Baca briefed the Committee on the Vendors business license process and the current procedure for sales tax collection from the OC Fairgrounds.

Mr. Hatch discussed how HdL tracks and forecasts the City's revenue sources.

Mr. Taboada made a motion to form a FiPAC sub-committee to review collection of sales tax at the OC Fairgrounds and OCC Swap Meet, and City business tax. Ms. Vrska seconded the motion. Committee approved the motion. (Ms. Vrska had to leave before the voting occurred.)

MOTION/SECOND: Ralph Taboada/Anna Vrska

Ayes: Jim Fidler, Ralph Taboada, Bob Juneman, John Hinson, Al Melone, Rebecca Trahan, Tom Pollitt

Nays: None

Abstain: None

Absent: Richard Riva, Wendy Leece, Nick Peterson, Anna Vrska

Motion Passed: 7-0-0-4


d. Investment Status

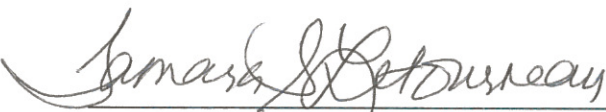
Chandler Asset Management presented its Second Quarter Investment Report.

9. OPEN DISCUSSION/ FUTURE AGENDA ITEMS

Mid-Year Report review

10. ADJOURNMENT - The meeting was adjourned at 6:03 p.m. to the next regular Meeting of the Finance and Pension Advisory Committee on Wednesday, March 14, 2018 at 4:00 p.m.


Ralph Toboada, Vice-Chair


Tamara Letourneau, Assistant City Manager