Culver CITY

DAN PATACCHIA MEETING ROOM
9770 CULVER BOULEVARD
CULVER CITY, CALIFORNIA 90232-0507
CITY HALL Tel. (310) 253-6000
FAX (310) 253-6010

FINANCE ADVISORY COMMITTEE MEETING AGENDA
Wednesday, September 9, 2015

PUBLIC COMMENT

The Finance Advisory Committee will listen to the public on any item on the agenda or item of interest that is not on the agenda. The Finance Advisory Committee cannot take action on any item not scheduled on the agenda. Such items may be referred for administrative action or scheduled on a future agenda.

If you wish to speak to the Committee, please complete a Speaker's Card and present it to the staff liaison before the agenda item is called. You will be called by name when it is your turn to speak to the Committee.

PUBLIC COMMENT FOR ITEMS ON THE AGENDA

Persons wishing to speak on agenda items will be called at the time the agenda item is brought forward. Comments will generally be limited to five minutes per speaker; however, a three-minute limit may be declared by the Chair for agenda items for which many Speaker Cards have been submitted.

PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

A total of twenty minutes shall be devoted to audience participation at the beginning of the agenda. Speakers will be called on in the order cards were received by City staff. If additional time is needed, the committee chair will allow for same at the end of the agenda.

When your name is called, please stand and state your name and city of residence. Speakers must limit their comments to five minutes. A three-minute limit may be declared by the Chair if there are a large number of individuals desiring to address the Council.

AUTHORITY OF PRESIDING OFFICER

Section 611 of the City Charter provides that during any public meeting, all persons shall have the right to address the City Council, and any City commission, board or committee, subject to reasonable rules of decorum and time limits established by ordinance or the presiding officer. Therefore the presiding officer may, from time to time, establish different time limits than those listed in this Agenda in order to effectively conduct Committee business.

CELL PHONES AND OTHER DISTRACTIONS

Use of cell phones, pagers, and other communication devices is prohibited while the Committee meeting is in session. Please turn all devices off or place on silent alert and leave the meeting area to use. During the meeting, please refrain from applause or other actions that may be disruptive to the speakers or the conduct of City business.

MEETING INFORMATION

Finance Advisory Committee Meetings are regularly scheduled for the second Wednesday of every month. Committee Agenda information is available at least 72 hours before each meeting via posting at City Hall, and on the City website. Information may also be accessed by calling the Finance Department at (310) 253-5865.

Agendas are
Available on the web at
www.culvercity.org

FINANCE ADVISORY COMMITTEE
REGULAR MEETING
AGENDA

Wednesday, September 9, 2015
7:00 PM
Dan Patacchia Meeting Room

CALL TO ORDER & ROLL CALL:

Goran Eriksson, Chair
Richard Hibbs, Member
Alejandro Lara, Member
Steven Reitzfeld, Member
David Trovato, Member
Crystal Alexander, Vice-Chair
Sean Kearney, Member
Jane Leonard, Member
Bryan Sua, Member

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT – Items Not on the Agenda

CONSENT CALENDAR (*Consent Calendar items are considered to be routine in nature and may be approved by one motion. Public requests to discuss Consent Calendar items must be filed with the Secretary before the Consent Calendar is called.)*

C-1. Minutes of the August 12, 2015 Regular Meeting.

ACTION ITEMS *(Public requests to discuss Action Items must be filed with the Secretary before the item is called)*

A-1. Administration of the Oath of Office to Appointed Committee Member

A-2. 1) Discussion of Approved Work Plan; (2) Discussion of the Creation of Subcommittees; (3) (If Desired) Creation of Subcommittees; and (4) (If Desired) Appointment of Members to Such Subcommittees

A-3. Approval of Measure Y Sales Tax Status Report for Transmittal to City Council

A-4. Receive Report from the Special Event Sponsorship Policy Review Ad Hoc Subcommittee

A-5. Discussion of Benchmarking Study

ITEMS FROM STAFF

S-1. Discussion of September Agenda

ITEMS FROM COMMITTEE MEMBERS

ADJOURN

THESE MINUTES ARE NOT OFFICIAL UNTIL APPROVED BY THE CULVER CITY FINANCE ADVISORY COMMITTEE

REGULAR MEETING OF THE
CULVER CITY FINANCE
ADVISORY COMMITTEE
CULVER CITY, CALIFORNIA

August 12, 2015
7:00 p.m.

CALL TO ORDER & ROLL CALL

Chair Eriksson called the meeting of the Finance Advisory Committee to order at 7:00 p.m. in the Dan Patacchia Meeting Room.

Members Present:	**GORAN ERIKSSON**, Chair **CRYSTAL ALEXANDER**, Vice Chair **SEAN KEARNEY**, Member **ALEJANDRO LARA,** Member **JANE LEONARD**, Member **STEVEN REITZFELD**, Member **DAVID TROVATO**, Member
Absent:	**RICHARD HIBBS**, Member **BRIAN SUA**, Member
Staff Present:	**Jeff Muir**, Chief Financial Officer **Erica McAdoo**, Senior Budget Management Analyst **Michelle Villongco**, Secretary

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Pledge of Allegiance

Crystal Alexander led the Pledge of Allegiance.

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Public Comment for Items NOT On the Agenda

Chair Eriksson invited public comment.

No cards were received and no speakers came forward.

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Consent Calendar

Item C-1

Meeting Minutes

THE FAC PASSED A MOTION APPROVING THE MINUTES FOR THE REGULAR MEETING OF JUNE 10, 2015 (CHAIR ERIKSSON ABSTAINED DUE TO HIS ABSENCE FROM THE MEETING AND ABSENT MEMBERS HIBBS AND SUA).

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Action Items

Item A-1

Administration of the Oath of Office to Appointed Committee Members

Michelle Villongco, Secretary, administered the Oath of Office to newly appointed Finance Advisory Committee Member Jane Leonard.

Chair Eriksson welcomed Member Leonard to the Committee and reported that Member Brian Sua could not be present at the meeting due to work obligations but would be sworn in at the September 9th Finance Advisory Committee meeting.

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Item A-2

Election of Annual Officers (Chair and Vice-Chair) to Serve a One-Year Term, Expiring June 30, 2016

THE FINANCE ADVISORY COMMITTEE PASSED A MOTION APPOINTING GORAN ERIKSSON TO SERVE AS CHAIR OF THE FINANCE ADVISORY COMMITTEE FOR THE 2015-2016 FISCAL YEAR (ABSENT MEMBERS HIBBS AND SUA).

THE FINANCE ADVISORY COMMITTEE PASSED A MOTION APPOINTING CRYSTAL ALEXANDER TO SERVE AS VICE CHAIR OF THE FINANCE ADVISORY COMMITTEE FOR THE 2015-2016 FISCAL YEAR (ABSENT MEMBERS HIBBS AND SUA).

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Item A-3

Receive Report from the Special Event Sponsorship Policy Review Ad Hoc Subcommittee

Discussion ensued between staff and Committee Members regarding expanding Qualification Criteria to include revenue potential and providing actuals from prior years.

Chair Eriksson invited public comment.

The following member of the audience addressed the Committee:

Steven Rose, Chamber of Commerce, suggested that there be a policy that those events receiving City sponsorship be encouraged to promote economic development with only Culver City based hotels and motels listed for their events, and that organizations be approved on a two-three year cycle with interim financial reports required.

Discussion ensued between Committee Members and Mr. Rose regarding clarification regarding those events that have sponsorship from Culver City and from businesses outside the City, and sponsorship levels.

Further discussion ensued between Committee Members regarding identification of available public transportation options as part of marketing materials; next steps in the process; incorporating comments made; the importance of making best efforts to promote Culver City businesses; the policies of other cities; encouragement to send any other comments to Jeff Muir for inclusion; and the discussion was continued to September 9, 2015.

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Item A-4

Discussion of Benchmarking Study

Erica McAdoo, Senior Budget Management Analyst, reported receipt of notes and recommendations from subcommittee members; discussed surveying Senior Social Services areas; and next steps in the process.

Discussion ensued between staff and Committee Members regarding comparisons of per capita expenses; comparing transportation statistics; the original use 2012-2013 actuals; expediting the process; additional items for exploration; clarification regarding the Other category; Community Development; changes to financial reporting methods; the demise of the Redevelopment

Agency; housing policies in Santa Monica; Transportation and Safety Expenditures; Public Utilities; updates to Table 16; formulating a cohesive narrative statement; the involvement of City employees in the Committee; comparisons of Culver City with the averages of other cities; variables; putting the figures in context; crime figures; and the role of the current study.

Chair Eriksson invited public comment.

The following member of the audience addressed the Committee:

Steven Rose, Chamber of Commerce, clarified that the Westfield Mall is no longer referred to as the Fox Hills Mall; he provided usage statistics; discussed the amount of traffic generated by the mall; and he discussed policies in Beverly Hills regarding limits to medical offices.

Further discussion ensued between staff and Committee Members regarding including a preface in the report to explain criteria; daytime population increases; items noted in the preface; other cities with malls and how that affects information; the affects of topography; variations in the way statistics are measured by department; double checking numbers used; the American Community Survey Report; Senior and Social Services; the importance of using proper vernacular to get accurate data; areas where data is insufficient; the importance of finishing the Study; concern with stale data; operating and service level information; comparisons with other cities; length of the report; determining service level opportunities for the City; areas that require further research; editing and proofing the report; next steps in the process; and agreement to continue the discussion to September 9, 2015.

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Items from Staff

Item S-1

Discussion of September Agenda

Jeff Muir, Chief Financial Officer, indicated that he did not have any additional items.

Vice Chair Alexander noted a typographical error on the June 10, 2015 meeting minutes and she suggested that the September meeting have an agenda item for the creation of subcommittees and selection of Members.

Discussion ensued between staff and Committee Members regarding the September agenda; inclusion of the Measure Y Report; a Benchmarking Update; and a report from the Sponsorship subcommittee.

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Items from Committee Members

Chair Eriksson reported that Joe Susca had received a proclamation from the City Council for his work on the Finance Advisory Committee.

Committee Members provided background on themselves and their experience.

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Adjournment

There being no further business, at 8:06 p.m., the Finance Advisory Committee adjourned its meeting to Wednesday, September 9, 2015 at 7:00 p.m. in the Dan Patacchia Meeting Room.

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Michelle Villongco
SECRETARY of the Culver City Finance Advisory Committee
Culver City, California

APPROVED

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Goran Eriksson
CHAIR of the Finance Advisory Committee, Culver City, California

I declare under penalty of perjury under the laws of the State of California that, on the date below written, these minutes were filed in the Office of the City Clerk, Culver City, California and constitute the Official Minutes of said meeting.

__________________________ __________________________

Martin R. Cole Date
CITY CLERK

City of Culver City, California

Finance Advisory Committee Agenda Item Report

Meeting Date: 09/09/2015	Item Number: A-1
AGENDA ITEM: Administration of the Oath of Office to Appointed Committee Members	
Contact Person/Dept.: Jeff S. Muir/Finance	Phone Number: 310/253-5865
Public Notification: (E-Mail) Meetings and Agendas – Finance Advisory Committee (09/03/15)	
Department Approval: Jeff Muir (09/03/15)	

RECOMMENDATION:

Staff recommends the FAC observe the administration of the oath of office to appointed Committee Member Sua.

DISCUSSION:

At the May 12, 2014 City Council meeting, the City Council made the following appointments to the Finance Advisory Committee:

- The City Council approved the recommendation of the staff level bargaining group to appoint two persons to a single seat. CCFFA member Mauricio Blanco was approved to serve a partial one-year term on the Finance Advisory Committee, filling Office No. 7 from July 1, 2014 – June 30, 2015. Firefighter Bryan Sua will serve for the second year of the term of this Office from July 1, 2015 – June 30, 2016.

- The City Council approved the recommendation of the management level bargaining group to appoint two persons to a single seat. CCMG member Joe Susca was approved for a one-year partial term to fill Office No. 8 of the Finance Advisory Committee from July 1, 2014 – June 30, 2015. Jane Leonard will serve the second year of the term of this Office from July 1, 2015 – June 30, 2016.

Members Leonard was administered the oath of office during the August 12th FAC Meeting. Member Sua's oath of office was postponed due to an excused absence.

City Charter Section 1401 provides: "Before entering upon the duties of their respective offices, all officers and employees of the City shall take and subscribe to the following oath or affirmation:

> 'I, [Member Name], do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter.'"

ATTACHMENTS:

None

City of Culver City, California

Finance Advisory Committee Agenda Item Report

Meeting Date: 09/09/2015	Item Number: A-2
AGENDA ITEM: (1) Discussion of Approved Work Plan; (2) Discussion of the Creation of Subcommittees; (3) (If Desired) Creation of Subcommittees; and (4) (If Desired) Appointment of Members to Such Subcommittees.	
Contact Person/Dept.: Jeff S. Muir/Finance	Phone Number: 310/253-5865
Public Notification: (E-Mail) Meetings and Agendas – Finance Advisory Committee (09/09/15)	
Department Approval: Jeff Muir (09/09/15)	

RECOMMENDATION:

Staff recommends that the Finance Advisory Committee (FAC) (1) discuss the approved Work Plan; (2) discuss the creation of Subcommittees, (3) (if desired) create subcommittees, and (4) (if desired) appoint members to such subcommittees.

DISCUSSION:

On March 23, 2015, the City Council approved the amended Work Plan of the Finance Advisory Committee, as follows:

1. Undertake a Budget Benchmarking Project to compare where and how Culver City spends and receives money to selected similar communities. Analyze possibilities for alternative service delivery methods.
2. Review and make recommendations on revenue opportunities that may be available to the City.
3. Continue to provide quarterly reports to the City Council on Measure Y proceeds.
4. Continue to monitor the communications strategy of financial information on the City's website.
5. Review and make recommendations for the annual updates to the long-term financial forecast.
6. Review and make recommendations for addressing storm water requirement compliance.
7. Review current and potential utilization of assessment districts.
8. Review and provide input to the City Council on a policy related to special event sponsorship.

The FAC has created subcommittees to begin dealing with work plan items. Currently active Subcommittees include:

1. **Benchmarking Study Subcommittees (Work Plan Item #1):**
    - o Subcommittee 1: Members Hibbs, Leonard and Reitzfeld
    - o Subcommittee 2: Members Kearney, Lara and Sua
    - o Subcommittee 3: Members Alexander, Eriksson and Trovato

2. **Revenue Opportunities Subcommittee (Work Plan Item #2):**
   Members Alexander, Eriksson and Trovato

3. **Special Events Work Plan Item (Work Plan Item #8):**
   Members Alexander, Eriksson and Hibbs

To date, the FAC has made a recommendation to city Council on the City's Rental Assistance Program, filed quarterly status reports to Council regarding Measure-Y sales tax proceeds (Item 3), commented on and approved the recommended modifications to the budget process, made a series of recommendations regarding the City's current financial policies (Item 4), and reviewed the long-term financial forecast (Item 5). The FAC has worked vigorously in drafting a Budget Benchmarking Study (Item 1), drafted a Policy related to Special Event Sponsorship (Item 8), received presentations on the storm water issue from Public Works staff (Item 6), and received a presentation on the various assessment district options available to cities (Item 8). Staff continues to work with the subcommittee established to deal with the communication of financial information on the website (Item 4).

The purpose of this item is for the FAC to discuss remaining work plan items and their priority, whether subcommittees are appropriate, and if so, to establish and make appointments to them.

ATTACHMENTS:

None.

MOTION:

That the FAC:

(1) Discuss the approved Work Plan and provide feedback to staff on prioritization; and

(2) Discuss the potential creation of subcommittees; and,

(3) (if desired) Create such subcommittees; and,

(4) (if desired) Appoint members to such subcommittees.

City of Culver City, California

Finance Advisory Committee Agenda Item Report

Meeting Date: 09/09/2015	Item Number: A-3
AGENDA ITEM: Approval of Measure Y Sales Tax Status Report for Transmittal to City Council.	
Contact Person/Dept.: Jeff S. Muir/Finance	Phone Number: 310/253-5865
Public Notification: (E-Mail) Meetings and Agendas – Finance Advisory Committee (09/03/15)	
Department Approval: Jeff Muir (09/03/15)	

RECOMMENDATION:

Staff recommends that the Finance Advisory Committee (FAC) approve the Measure Y Sales Tax Status Report and authorize transmittal to City Council.

DISCUSSION:

Item 2 on the FAC Work Plan is to ‘Develop a methodology to analyze Measure Y proceeds and report the results to the public.’ The attached Measure Y Status Report is a simple, one-page report that provides some background information on Measure Y, and shows budget versus actual results by fiscal year, top 25 Measure Y sales tax producers and the cumulative total received.

With approval of the FAC, and incorporating any changes requested by the FAC, staff will transmit this report to the City Council.

ATTACHMENTS:

- Measure Y Sales Tax Status Report V - Draft

MOTION:

That the FAC:

(1) Discuss the Measure Y Status Report;

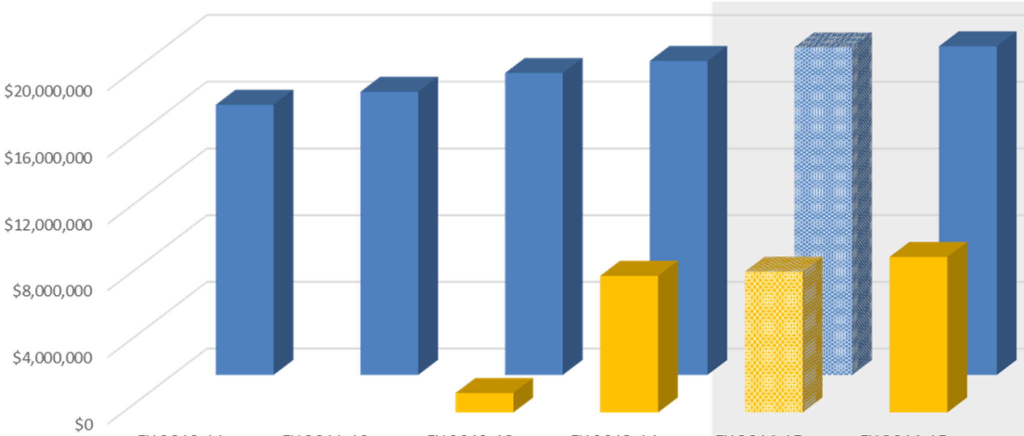
(2) Make recommendations to Staff; and

(3) Authorize transmittal to City Council.

Measure Y Sales Tax Status Report VI:

The purpose of this report is to provide the Council and residents a status update on Measure Y revenue activity that occurred in the City. This report captures all Measure Y sales tax collections for the 2014-15 Fiscal Year.

CULVER CITY SALES TAX REVENUES



	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15 Rev. Budget	FY 2014-15 (Jul-Jun)
Measure Y			$1,163,591	$8,189,558	$8,440,000	$9,319,093
Sales Tax	$16,192,369	$16,970,122	$18,095,663	$18,817,179	$19,631,000	$19,698,255

Measure Y is a voter-approved one-half percent transaction and use tax adopted to maintain City of Culver City critical services. With limited exceptions, the transactions and use tax is imposed on the same goods and merchandise as the local sales and use tax. The 10-year measure gained overwhelming voter approval in November 2012 and went into effect April 2013 to provide necessary resources to resolve the City's structural deficit issues and continue services at existing levels. Measure Y contains a sunset provision, which will result in the expiration of the measure on March 31, 2023 if not reauthorized by voters.

FISCAL YEAR 2015: QUARTER 4 MEASURE Y REVENUES

During the fourth quarter of Fiscal Year 2015, Measure Y sales tax remained strong with an additional $2.2 million in revenues generated for the City. Consumer goods persistently drive Measure Y sales tax revenues. The fourth quarter also displayed generous improvements in restaurant and hotel industry totals, likely attributable to increased summer tourism.

Fiscal Year 2015 revenues for Measure-Y were budgeted at $8.4 million. Approximately $9.3 million was collected in total or 10.7% above budgeted projections. Cumulatively, $18.7 million in revenues has been generated since the measure's implementation.

TOP 25 MEASURE Y SALES TAX PRODUCERS

(in alphabetical order)

Amazon Com	Old Navy
Best Buy	Panel It
Carpet USA Ltd	Ross
Costco w/Gas	Samys Camera
Culver City Chevron	Target
Foot Locker	Tesoro
Forever XXI	TJ Maxx
Howard Industries	Toys R Us
H & M	Verizon Wireless
JC Penney	Vons
Macys	Victoria's Secret
Nordstrom Rack	Westside Arco
	Wolfgang Puck

Source: *HdL Companies, Culver City Measure Y Sales Tax Update*

Measure Y funds are budgeted as part of the annual budget approval process by the City Council. Funds received are deposited into the City's General Fund and allocated to sustain general municipal functions.

City of Culver City, California

Finance Advisory Committee Agenda Item Report

Meeting Date: 09/09/2015	Item Number: A-4
AGENDA ITEM: Receive Report from the Special Event Sponsorship Policy Review Ad Hoc Subcommittee.	
Contact Person/Dept.: Jeff S. Muir/Finance	Phone Number: 310/253-5865
Public Notification: (E-Mail) Meetings and Agendas – Finance Advisory Committee (09/03/15)	
Department Approval: Jeff Muir (09/03/15)	

RECOMMENDATION:

Staff recommends the Finance Advisory Committee (FAC) receive a report from the Special Event Sponsorship Policy Review ad hoc subcommittee.

DISCUSSION:

On November 10, 2014, the City Council directed the FAC to review a policy for City support of special events for City Council consideration. The City Council receives regular requests for funding assistance and sponsorship for special events. Sponsorship requests for the City have been historically approved on a case-by-case basis in the form of fee waivers for City permits and staffing costs, cash sponsorships or financial reimbursements. The fiscal effect of the increasing volume and value of requests has generated concern by Council members.

During the December 10, 2014 FAC Meeting, the Special Event Sponsorship Policy Review ad hoc subcommittee was formed to research and provide suggestions to the Committee at large.

At the August 12th FAC Meeting, the Subcommittee requested members to review the proposed application and process packet. Discussion was continued to the September 9, 2015 Finance Advisory Committee meeting, where the Subcommittee will entertain additional feedback from the Committee at large in effort to finalize the recommendation to be submitted to City Council.

ATTACHMENTS:

None

MOTION:

That the FAC:

(1) Receive a report from the Special Event Sponsorship Policy Review ad hoc subcommittee;

(2) Discuss and make recommendations on Proposed Special Event Application and Process Packet; and

(3) Approve Proposed Special Event Application and Process Packet for transmittal to City Council.

City of Culver City, California

Finance Advisory Committee Agenda Item Report

Meeting Date: 09/09/2015	Item Number: A-5
AGENDA ITEM: Discussion of Budget Benchmarking Study.	
Contact Person/Dept.: Jeff S. Muir/Finance	Phone Number: 310/253-5865
Public Notification: (E-Mail) Meetings and Agendas – Finance Advisory Committee (09/09/15)	
Department Approval: Jeff Muir (09/09/15)	

RECOMMENDATION:

Staff recommends that the FAC continue its discussion and recommendation on the Budget Benchmarking Study.

DISCUSSION:

Item 3 of the FAC Work Plan is to 'Undertake a Budget Benchmarking Project to compare where and how Culver City spends and receives money to selected similar communities. Analyze possibilities for alternative service delivery methods.'

The FAC will briefly provide status updates on Subcommittee data and draft analyses. The FAC will continue its discussion of this item in anticipation of a formal draft report to be distributed at the October 7th Meeting.

ATTACHMENTS:

- None