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CITY OF CULVER CITY FINANCE ADVISORY COMMITTEE

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

September 13, 2023
7:00 p.m.

CALL TO ORDER & ROLL CALL

Chair Lachman called the regular meeting of the City of Culver City Finance Advisory Committee to order at 7:09 p.m. in the Dan Patacchia Meeting Room at City Hall.

Members Present:

ANDREW LACHMAN, Chair
MARC BAUER, Member
ANISSA DI VINCENTE, Member
JOHNNIE GRIFFING, Member
KEVIN LACHOFF, Member

Absent:

ANNE DIGA JACOBSEN, Vice Chair
KEITH JONES, Member

Staff Present:

Lisa Soghor, Chief Financial Officer
Melissa Zak, Associate Analyst
Michael Towler, Finance Manager
John Figueroa, Senior Account Clerk
Elizabeth Shavelson, Financial Systems and
Purchasing Manager

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Pledge of Allegiance

Member Di Vincente led the Pledge of Allegiance.

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Public Comment for Items NOT on the Agenda

Chair Lachman invited public comment.

Melissa Zak, Associate Analyst, indicated that no public comment had been received.

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Receipt and Filing of Correspondence

Melissa Zak, Associate Analyst, indicated that no correspondence had been received.

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Consent Calendar Items

Item C-1

Approval of the Minutes for the Finance Advisory Committee Meeting of July 12, 2023

MOVED BY MEMBER GRIFFING AND SECONDED BY MEMBER BAUER THAT THE FINANCE ADVISORY COMMITTEE APPROVE THE MINUTES FOR THE FINANCE ADVISORY COMMITTEE MEETING OF JULY 12, 2023.

THE MOTION CARRIED BY THE FOLLOWING VOTE:

AYES: BAUER, DI VINCENTE, GRIFFING, LACHOFF, LACHMAN

NOES: NONE

ABSENT: DIGA JACOBSEN, JONES

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Order of the Agenda

No changes were made.

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Action Items

Item A-1

(1) Draft the Finance Advisory Committee Biannual Report to the City Council, Inclusive of a) Accomplishments During the Period January through June 2023 and b) Updates on Upcoming Plans for 2023-2024, and (2) Authorize Transmittal of the Report to the City Council

Lisa Soghor, Chief Financial Officer, introduced the item.

Discussion ensued between staff and Committee Members regarding items during the specified period; the increase in application submittals for the Awards; launch of the Affordable Housing Speaker Series; removal of the Participatory Budgeting presentation, the Business License Tax Update, the Parcel Tax, the joint Parks, Recreation, and Community Services Update; submittal of the letter to the City Council; the standing item for regular reports from Committees, Boards, and Commissions (CBCs) to the City Council as a result of encouragement from the FAC to increase communication; participation in the Economic Vitality Task Force; adding a discussion of the Cannabis Distribution Tax Rate; the User Fee Study; follow up commemorating the ten year anniversary of the FAC; and formatting adjustments.

MOVED BY MEMBER LACHOFF AND SECONDED BY MEMBER DI VINCENTE THAT THE FINANCE ADVISORY COMMITTEE AUTHORIZE TRANSMITTAL OF THE AMENDED SIX MONTH WORKPLAN TO THE CITY COUNCIL WITH CHANGES AS DISCUSSED.

THE MOTION CARRIED BY THE FOLLOWING VOTE:

AYES: BAUER, DI VINCENTE, GRIFFING, LACHOFF, LACHMAN
NOES: NONE
ABSENT: DIGA JACOBSEN, JONES

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Item A-2

(1) Approval of the Measure CC and Measure C Sales Tax Status Report (FY23, Q3) for Transmittal to City Council, Providing Feedback/Discussion on the New Reporting Format, and (2) Approval of the Real Property Transfer Tax Status Report (FY23, Q4) for Transmittal to City Council

Lisa Soghor, Chief Financial Officer, provided an overview of the Measure CC and Measure C Sales Tax Status Reports for Quarter 3 of Fiscal Year 2023.

Discussion ensued between staff and Committee Members regarding the motor vehicle purchases and the application of transaction taxes to vehicle deliveries made in Culver City; comparisons between the current year and last year; the pandemic recovery and correction; rankings; confidential information; the narrative; fluctuations; seasonality; report format; identification of trends; increasing accessibility for the public; engaging the public with graphics; providing an analysis; adding historical knowledge; identification of trends; budgeted vs. actuals; reliance on HdL (Hindeliter de Llamas) projections; monitoring of trends; and budget adjustments.

MOVED BY MEMBER GRIFFING AND SECONDED BY MEMBER BAUER THAT THE FINANCE ADVISORY COMMITTEE AUTHORIZE TRANSMITTAL OF THE QUARTERLY STATUS REPORT FOR MEASURE C AND MEASURE CC FOR QUARTER THREE OF FISCAL YEAR 2023 TO THE CITY COUNCIL.

THE MOTION CARRIED BY THE FOLLOWING VOTE:

AYES: BAUER, DI VINCENTE, GRIFFING, LACHOFF, LACHMAN

NOES: NONE

ABSENT: DIGA JACOBSEN, JONES

Lisa Soghor, Chief Financial Officer, provided an overview of the Real Property Transfer Tax Status Report for Quarter 4 of Fiscal Year 2023.

Discussion ensued between staff and Committee Members regarding those finding ways to avoid paying the Real Estate Transfer Tax; research by the consultant; corporate transfer tax; eliminating loopholes; length of time the tax has been collected; reduced numbers; sales vs. property values; Culver City vs. Los Angeles county; residential figures; larger numbers for commercial properties; the volatile nature of the tax revenue; not looking at the taxes as a stable revenue source for ongoing operational expenses; the one-time large payment received in FY 2021-2022 was used to fund the City's Section 115 Trust that can be used to pay pension costs in the future; concern with people circumventing the process; time period covered in the report; interest rates; awareness of the tax; in City of Los Angeles, people rushed to complete sales before LA's tax measure took effect; the corporate transfer tax; continued monitoring of the process; percentage of property tax received by Culver City; and staff agreement to look into corporate payments and report back.

MOVED BY MEMBER BAUER AND SECONDED BY MEMBER LACHOFF THAT THE FINANCE ADVISORY COMMITTEE AUTHORIZE TRANSMITTAL OF THE

September 13, 2023

**QUARTERLY STATUS REPORT FOR REAL PROPERTY TRANSFER TAX FOR
QUARTER FOUR OF FISCAL YEAR 2023 TO THE CITY COUNCIL.**

THE MOTION CARRIED BY THE FOLLOWING VOTE:

AYES: BAUER, DI VINCENTE, GRIFFING, LACHOFF, LACHMAN

NOES: NONE

ABSENT: DIGA JACOBSEN, JONES

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Item A-3

FAC – Receive Reports for Discussion from the (1) Assets Ad Hoc Subcommittee, (2) Structural Revenue Review Ad Hoc Subcommittee, (3) FAC Anniversary Ad Hoc Subcommittee, and (4) City Council Engagement Ad Hoc Subcommittee; (5) Affordable Housing Ad Hoc Subcommittee; (6) 2024 Government Efficiency Ad Hoc Subcommittee, and (7) Provide Direction to Staff, if Deemed Appropriate

Member Bauer indicated nothing to report from the Assets Ad Hoc Subcommittee.

Chair Lachman indicated nothing to report from the Structural Revenue Review Ad Hoc Subcommittee, reported that the FAC Anniversary Ad Hoc Subcommittee was trying to get on the City Council agenda; noted that no update was available regarding the City Council Engagement Ad Hoc Subcommittee; announced the Economics of Affordable Housing event on September 14 organized by the Affordable Housing Ad Hoc Subcommittee; discussed outreach; variables that disincentivize affordable housing; structure; and revenue sources.

Discussion ensued between staff and Committee Members regarding clarification that the intent was to get the FAC Anniversary on a City Council agenda rather than having a celebration at an FAC meeting; planned format for the Economics of Affordable Housing event; clarification that the event would be streamed; examination of best practices; the actions of other cities; and the chosen meeting date.

Member Griffing provided an update on the 2024 Government Efficiency Ad Hoc Subcommittee and he shared a newspaper publication regarding the Innovation Awards.

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Item A-4

Receive an Update on the Culver City Economic Vitality Task Force

Member Lachoff indicated that he had not been able to attend the meeting of the Culver City Economic Vitality Task Force but he provided highlights of the meeting he received from Elaine Gerety-Warner including business attraction, retention and welcome resources and digital informational kiosks, and he indicated that the next quarterly meeting would be in November.

Discussion ensued between staff and Committee Members regarding kiosk locations; information presented; acting as a Wi-Fi hotspot; timing of implementation; and amenities provided.

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Item A-5

Discussion of October 11, 2023 Agenda

Discussion ensued between staff and Committee Members regarding items for the next agenda; the request from the City Council for the FAC to examine the cannabis distribution tax rates; research into what other jurisdictions are doing; providing a thought-through recommendation to the City Council; information provided in the City Council staff report; consideration of the best way to conduct research; the timeframe for reporting back to Council; due diligence; filling the vacant FAC positions; the temporary Superintendent of Culver City Unified School District; and debriefing on the Economics of Affordable Housing Conversation as part of subcommittee reports.

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Public Comment – Items NOT on the Agenda (Continued)

Chair Lachman invited public comment.

Melissa Zak, Associate Analyst, indicated that no public comment had been received.

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Items from Committee Members/Staff

Lisa Soghor, Chief Financial Officer, reported that Melissa Zak had accepted a job working for Santa Monica; discussed work with the auditors; closing out the fiscal year; and submission of the budget for the GFOA (Government Finance Officers Association) Awards.

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**MOVED BY MEMBER BAUER AND SECONDED BY MEMBER GRIFFING
THAT THE FINANCE ADVISORY COMMITTEE ADJOURN THE MEETING IN
MEMORY FOR FORMER MAYOR JOZELLE SMITH.**

THE MOTION CARRIED BY THE FOLLOWING VOTE:

AYES: BAUER, DI VINCENTE, GRIFFING, LACHOFF, LACHMAN

NOES: NONE

ABSENT: DIGA JACOBSEN, JONES

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Adjournment

There being no further business, at 8:13 p.m., the City of Culver City Finance Advisory Committee adjourned their meeting in memory of Jozelle Smith to a regular meeting to be held on October 11, 2023.

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John Figueroa
SECRETARY of the Culver City Finance Advisory Committee
Culver City, California

APPROVED

Andrew Lachman
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.

Jeremy Bocchino
CITY CLERK

Date