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
Wednesday, May 14, 2014

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, May 14, 2014
7:00 PM
Dan Patacchia Meeting Room

CALL TO ORDER & ROLL CALL:

Goran Eriksson, Chair
Allan Azran, Member
Richard Hibbs, Member
Alejandro Lara, Member
David Trovato, Member
Crystal Alexander, Vice-Chair
Desmond Burns, Member
Sean Kearney, Member
Steven Reitzfeld, 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 April 9, 2014 Regular Meeting.

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

A-1. Presentation on Proposed Fiscal Year 2014-2015 Budget.

ITEMS FROM STAFF

S-1. Discussion of June 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

April 9, 2014
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
DESMOND BURNS, Member
RICHARD HIBBS, Member
SEAN KEARNEY, Member
ALEJANDRO LARA, Member
STEVEN REITZFELD, Member
DAVID TROVATO, Member

Member Absent:

ALLAN AZRAN, Member (Excused)

Staff Present:

Jeff Muir, Chief Financial Officer
Gracie Hasan, Secretary
Erica McAdoo, Sr. Budget Management Analyst

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Pledge of Allegiance

The Pledge of Allegiance was led by Member Hibbs.

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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 MARCH 12, 2014 (ABSENT MEMBER AZRAN).

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Action Items

Item A-1

Presentation from NBS on Special Financing Districts

Chair Eriksson reported that Jeff Muir, Chief Financial Officer, would be slightly late to the meeting.

Erica McAdoo, Sr. Management Analyst, introduced and presented Pablo Perez, Director from NBS to the Finance Advisory Committee Members.

Pablo Perez, NBS, discussed possible funding solutions; property tax based solutions; other sources of revenue to be considered; needed capital improvements; a previous analysis for a maintenance budget and capital improvements; special financing districts; different taxes; terminology; Proposition 218; assessments vs. taxes vs. fees; statutes; using the proper funding tools; approval thresholds; special taxes; special assessments; General Benefits; public parcels; Community Facilities Districts; the maintenance component; tax liens; method of apportionment; and Mello-Roos.

Discussion ensued between FAC Members and Mr. Perez regarding protest proceedings; water and sewer rate increases; who votes on increases; notification procedures; exemptions; storm water improvements; Proposition 13; capital improvements; General Obligation Bonds; commercial property owners; resident response; community outreach; ongoing maintenance; money spent to support the passage of measures; public education; community outreach firms; polling; street improvements and lighting; special benefits; covering funding shortfalls; safety and access; abstract benefits; studies; benefits to residents and non-residents; street improvements; notice of assessment; the use code; annual requirements; reporting; cost of living inflators; maintenance districts; collection; Federal storm water requirements; forming a storm water utility; funding challenges for California; clarification that storm water does not fall within water, sewer or trash; demographics; geography; property related fees vs. capital improvements; and the debt service.

Action Items (Continued)

Item A-1

Jeff Muir, Chief Financial Officer, jointed the meeting at 7:58 p.m.

Additional discussion ensued between staff, Members and Mr. Perez regarding the School Bond issue; the Downtown Business Association; the 2011 study; the average value of single family homes in the City; Federal money; SB98; unfunded mandates; unspent bond money; fines; maintenance; initial investment; standard factors; flow factors; fines; timing; bond ratings; GASBY 68; unfunded liabilities; annual reports; administration components; additional costs; polling; Chamber of Commerce support; the CC Bond; infrastructure; clarification that the City would be responsible for fines if storm water compliance is not met; the Ballona Creek watershed; participation in joint studies; the scope of work; whether to do a Joint Powers Agreement; proportionality; and working in incremental amounts.

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Item A-2

Approval of Measure Y Status Report for Transmittal to City Council

Jeff Muir, Chief Financial Officer, provided a summary of the material of record.

Discussion ensued between staff and Members regarding sales fluctuations; people who didn't implement properly initially; typographical errors and minor wordsmithing; changes made last month; perspective; quarterly review; and adding an explanation to clarify any differences between budgeting and actuals.

THE FAC: PASSED A MOTION (1) APPROVING THE DRAFT MEASURE Y STATUS REPORT; AND (2) AUTHORIZING SUBMISSION TO THE CITY COUNCIL (ABSENT MEMBER AZRAN).

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Item A-3

Discussion of Draft Financial Policies – Debt Management Policy and Investment Policy

Jeff Muir, Chief Financial Officer, provided a summary of the material of record.

Discussion ensued between Members and staff regarding acceptable uses for Redevelopment money and for debt; Historic Preservation; revenue anticipation notes; cash flow; variable rate debt; risk management; monitoring; outside assistance; use of derivatives; arbitrage payments; debt load reporting; conduit debt; the process; Capital

Item A-3

Discussion of Draft Financial Policies – Debt Management Policy and Investment Policy (Continued)

Appreciation Balance; cab bonds; debt service fall off; backloading; City debt; the investment policy; clarification regarding the Chief Financial Officer vs. the City Treasurer; how the advisory firm was selected and how often it is reviewed; the annual update of the policy; changes at the state level; government code changes; auditors vs. investment advisors; the Request for Proposal process; historical data on managed portfolios; comparable criteria; the Revenue Division Manager; the process for reinvestment; the custodian of purchased securities; a request for an organizational chart; the general audit; the investment consultant; fiscal agents and collateralizations; suggested changes and consistency with the Government Code; debt service reserve; bond documents; authority to invest; the City's portfolio; appreciation to the subcommittee for their work on the item; and notification when the item goes before City Council.

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Item A-4

Invitation to Commissions, Committees, and Board to Provide Comment during the City's Fiscal Year 2014/2015 Budget Process

Jeff Muir, Chief Financial Officer, provided a summary of the material of record.

Discussion ensued between Members and staff regarding changes in the Police Department; the kickoff presentation; departmental presentations; special meetings; location of meetings; the Workplan meetings; clarification that the public is welcome to attend the presentations; and the schedule.

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Items from Staff

Item S-1

Discussion of May Agenda

Jeff Muir, Chief Financial Officer, discussed upcoming agenda items.

Discussion ensued between staff and Members regarding further information from Public Works and additional information from other cities; the Work Plan item; other issues to consider after seeing the budget process; and a discussion of the May 12, 2014 City Council meeting.

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Items from Committee Members

Vice Chair Alexander received clarification regarding the debt level of the City.

Discussion ensued between staff and Members regarding the School District; the rating agencies; debt load of the community; other financing mechanisms to get things done in the City; the rating of the City; General Obligation debt; and future trends.

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Adjournment

There being no further business, at 9:13 p.m., the Finance Advisory Committee adjourned its meeting to Wednesday, May 14, 2014 at 7:00 p.m. in the Dan Patacchia Meeting Room.

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Gracie Hasan
SECRETARY of the Culver City Finance Advisory Committee
Culver City, California

APPROVED

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

City of Culver City, California

Finance Advisory Committee Agenda Item Report

Meeting Date: 05/14/14	Item Number: A-1
AGENDA ITEM: Presentation and Discussion Regarding Fiscal Year 2014/2015 Proposed Budget.	
Contact Person/Dept.: Jeff S. Muir/Finance	Phone Number: 310/253-5865
Public Notification: (E-Mail) Meetings and Agendas – Finance Advisory Committee (05/09/14)	
Department Approval: Jeff Muir (05/09/14)	

RECOMMENDATION:

Receive a presentation on the Fiscal Year 2014/2015 Proposed Budget.

DISCUSSION:

The Chief Financial Officer will provide a presentation on the Fiscal Year 2014/2015 Proposed Budget.

ATTACHMENTS:

None