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CULVER CITY FINANCE ADVISORY COMMITTEE

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

December 4, 2013
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 Patio Meeting Room, 3rd Floor.

Members Present:

GORAN ERIKSSON, Chair
CRYSTAL ALEXANDER, Vice Chair
ALLAN AZRAN, Member
DESMOND BURNS, Member
RICHARD HIBBS, Member
SEAN KEARNEY, Member
ALEJANDRO LARA, Member
STEVEN REITZFELD, Member
DAVID TROVATO, Member

Staff Present:

Jeff Muir, Chief Financial Officer
Gracie Hasan, Secretary

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Pledge of Allegiance

The Pledge of Allegiance was led by Member Trovato.

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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 NOVEMBER 13, 2013.**

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Action Items

Item A-1

Updates from the Finance Advisory Committee Ad Hoc Subcommittees

Vice Chair Alexander provided an update on the Budget Process and Financial Policies Ad Hoc Subcommittee.

Discussion ensued between Members and staff regarding opengov.com; the City website; filters; resident comments; site analytics; and length of time spent on the site.

Vice Chair Alexander discussed the outcome reached with the Budget Process Committee; Financial Policies; financial reporting on the City website; and, developing a Budget in Brief document.

Discussion ensued between staff and Members regarding hyperlinking documents on the City website; the Executive Summary; the Budget Message; and separating by functional area.

Budget Process:

**THE FAC PASSED A MOTION TO APPROVE RECOMMENDATIONS OF THE
BUDGET PROCESS AND FINANCIAL POLICIES AD HOC SUBCOMMITTEE
TO (1) HYPERLINK THE BUDGET DOCUMENT ON THE CITY'S WEBSITE
AND (2) TO DEVELOP A "BUDGET IN BRIEF" DOCUMENT OF 20 PAGES
OR LESS TO SUMMARIZE IMPORTANT ISSUES IN THE ANNUAL BUDGET,
AND FORWARD TO THE CITY COUNCIL.**

Action Items (Continued)

Item A-1

Financial Policies:

Additional discussion ensued between staff and Members regarding the Newport Beach reserve policy; Culver City financial policies; and self-insurance reserves.

THE FAC PASSED A MOTION TO APPROVE RECOMMENDATIONS OF THE BUDGET PROCESS AND FINANCIAL POLICIES AD HOC SUBCOMMITTEE TO REVISE THE CITY'S FINANCIAL RESERVE POLICY TO MINIMALLY INCLUDE THE FOLLOWING CHANGES: (1) PLAIN DEFINITIONS OF RESERVE CLASSIFICATIONS, (2) ROBUST PLANS FOR THE CONTINGENCY RESERVE, INCLUDING HOW IT WILL BE REPLENISHED AND STRENGTHENED, (3) MORE DISCUSSION REGARDING SELF-INSURANCE RESERVES, AND (4) POST-RETIREMENT EMPLOYMENT BENEFIT FUNDING POLICIES.

Financial Reports on the City's Web Site:

THE FAC PASSED A MOTION TO APPROVE RECOMMENDATIONS OF THE BUDGET PROCESS AND FINANCIAL POLICIES AD HOC SUBCOMMITTEE TO (1) ASSESS HOW EACH OF THE REPORTS MAY BE USED AND HOW OFTEN THEY ARE ACCESSED, (2) MAKE AN INVENTORY OF REPORTS ALREADY POSTED AND DETERMINE WHAT IS MISSING, (3) DEVELOP STANDARDS TO ESTABLISH A TIME FRAME AS TO WHEN A REPORT IS TO BE POSTED AND WHEN IT SHOULD BE REMOVED OR ARCHIVED, AND (4) ASSESS HOW THE REPORTS ARE PRESENTED ON THE WEB PAGE TO DETERMINE IF OPTIMAL NAVIGATION IS PROVIDED.

Jeff Muir, Chief Financial Officer, received clarification regarding procedures for moving forward.

Discussion ensued between staff and Members regarding communication with the City Council; timing; the FAC meeting minutes; expectations; and highlighting specific items.

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Items From Staff

Item S-1

Review and Comment on Suggested Modifications to City Budget Process

Discussion ensued between staff and Members regarding the two-year budget; the internal auditing function of the City; the proposed revisions to the process; departmental budget requests; the internal management audit function; the practices of other cities; the Controller job classification; the organization chart for the City; the online budget transparency tool; training; the new finance system; the Citizen Budget Input Box; addressing the needs of different populations; the Budget Challenge; the level of public interest; providing public access; engaging the public; Coffee with a Cop; participation of the FAC in the budget process; changes to the FAC recommendation; edits by the City Manager Office; specific roles of various Commissions; participation by different bodies; timing; Commission recommendations; discretion of the City Manager; the mid-year analysis; fiscal input locations; resident email; outreach; and physical vs. digital.

THE FAC PASSED A MOTION TO RECOMMEND THAT ALL COMMISSIONS, BOARDS AND COMMITTEES BE INCLUDED IN THE BUDGET PROCESS.

Additional discussion ensued between staff and Members regarding the Budget in Brief document; availability of information; budget activity and data; formal reports to the City Council; quarterly reports; and Committee review of the Budget in the third quarter of 2014.

Item S-2

Discussion of January Agenda

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

Discussion ensued between staff and Members regarding Ad Hoc Committee updates, and creating another Ad Hoc Committee to address items in the Workplan.

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Items from Committee Members

Chair Eriksson discussed a decision made by the Department of Finance regarding monies to be paid back by the Successor Agency to the state.

Items from Committee Members (Continued)

Discussion ensued between Members and staff regarding the dissolution of the Redevelopment Agency; enforceable obligations; the meet and confer request; distribution of money; cash and cash equivalents; the long range property management plan; negotiation; and future action.

Chair Eriksson thanked everyone for their work over the past year and wished them Happy Holidays.

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Adjournment

There being no further business, at 8:38 p.m., the Finance Advisory Committee adjourned its meeting to Wednesday, January 8, 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