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CULVER CITY FINANCE ADVISORY COMMITTEE

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

September 14, 2016
7:00 p.m.

CALL TO ORDER & ROLL CALL

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

Members Present: **CRYSTAL ALEXANDER**, Chair
 DAVID TROVATO, Vice Chair
 JOSE CASAREZ, Member*
 SEAN KEARNEY, Member
 ALEJANDRO LARA, Member
 JANE LEONARD, Member
 STEVEN REITZFELD, Member
 GUSTAVO RENDON, Member

***Member Casarez arrived at 7:30 p.m.**

Absent: **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

Steven Reitzfeld led the Pledge of Allegiance.

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Public Comment for Items NOT On the Agenda

Chair Alexander invited public comment.

No speakers came forward and no cards were received.

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Consent Calendar

Item C-1

Meeting Minutes

THE FAC PASSED A MOTION (ABSENT MEMBERS CASAREZ AND SUA) APPROVING THE MINUTES FOR THE REGULAR FINANCE ADVISORY COMMITTEE MEETING OF AUGUST 10, 2016.

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Action Items

Item A-1

APPROVE PROPOSED AMENDMENT TO FINANCE ADVISORY COMMITTEE BYLAWS FOR TRANSMITTAL TO CITY COUNCIL

Discussion ensued between staff and Committee Members regarding clarification that the modification relates to service of union members; appreciation for the accommodation; additional review by the City Attorney; adjusted wording regarding the mandated July meeting; and agreement to delete redundant section 5a and make adjustments to wording in section 4a1 regarding the requirement for the annual meeting after July 1st.

THE FAC PASSED A MOTION (ABSENT MEMBERS CASAREZ AND SUA) TO APPROVE THE PROPOSED AMENDMENT TO FINANCE ADVISORY COMMITTEE BYLAWS FOR TRANSMITTAL TO THE CITY COUNCIL WITH ADDITIONAL WORDING IN SECTION 4A1 AND THE DELETION OF SECTION 5A REGARDING THE MANDATED JULY MEETING PENDING REVIEW BY THE CITY ATTORNEY'S OFFICE.

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Item 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

Chair Alexander introduced the item noting City Council discretion to add or make changes.

Discussion ensued between staff and Committee Members regarding completion of the Benchmarking Study and Special Event Sponsorship item; the ongoing nature of the Revenue Opportunities and Measure Y items and monitoring of financial information on the website; recommendations for addressing urban runoff requirement compliance; adjustments to ongoing items; analyzing possibilities for alternative service delivery methods; length of time to complete the Benchmarking Study; updating vs. conducting a new Benchmarking Study; City Council direction; elimination of the Benchmarking item pending City Council direction for more in depth consideration; adding clarification that removed items have been completed and items that are retained are ongoing items; continuing comparison of Culver City with other cities; and length of time that the Benchmarking Study is valid.

Member Cararez joined the meeting.

Additional discussion ensued between staff and Committee Members regarding how often the Benchmarking Study should be updated or reevaluated; the level of interest from the City Council; monitoring how Culver City relates to other cities; NextDoor; the direction to City departments to have an active, reportable and quantifiable workplan; concern with having items in the workplan that float; the importance of showing progress, completion and resolution; other actionable items associated with completed items; a suggestion to continue to monitor how Culver City spends and receives money as compared to neighboring cities; City Council direction; additional services required due to Transit Oriented Development; merging review of current and potential utilization of assessment districts with the task of finding revenue opportunities for the City; taxing marijuana; review and make recommendations for future revenue shortages related to urban runoff compliance funding; the Fleet Utilization policy; the CNG fleet; building efficiencies; departmental work plans; starting a City utility company; creating a stress-test for revenues; long-range financial planning; actionable items; tweaks to the forecast and how it is presented; the annual budget kickoff; the mid-year report; business preparedness and continuity; the first responsibility of the City; elimination of monitoring the communications strategy workplan (item 4); administrative oversight; grants functions; maintaining

grants; the City grants policy; the Grants Administrator Review Committee; items covered at the department level; sustainability grants; political items; funding of internal services; self-insurance funds; ensuring that there are policies in place to oversee budget preparation; using three year averages to smooth out charges; educating the Committee on processes used; internal arguments over how costs are allocated; ensuring that actuals match the budget; finance issues vs. control issues; departmental budgets; teaching items vs. work items; a suggestion that the workplan items only include City Council requests and all other items be educational; concern that the Committee is creating items just to have items to do; presentations for the Committee; staying prepared and ready for potential issues; internal controls; disaster preparedness; agreement to keep workplan items 3 (Measure Y) and 5 (Annual Updates to the Long-Term Financial Forecast) and elements of 1 (The Benchmarking Study); changes in the economy; revenue production scenarios; forecasting; assumptions; the focus on sales tax in the City; thoughts on revamping the financial forecast; CalPERS; previous actuary assistance; opposition to the urban runoff tax proposal; the deadline for submitting arguments against; and next steps in the process.

THE FAC PASSED A MOTION (ABSENT MEMBER SUA) THAT WORK PLAN ITEM 1 (THE BENCHMARKING STUDY) IS COMPLETE BUT WILL BE RETAINED WITH THE FOLLOWING WORDING: "CONTINUE TO MONITOR HOW CULVER CITY SPENDS AND RECEIVES MONEY AS COMPARED TO NEIGHBORING AND SIMILAR CITIES"; ITEM 2 (REVENUE OPPORTUNITIES) SHALL BE REWORDED AND COMBINED WITH ITEM 7 (POTENTIAL UTILIZATION OF ASSESSMENT DISTRICTS); ITEM 3 (MEASURE Y PROCEEDS) SHALL CONTAIN NEW WORDING REGARDING DISASTER PREPAREDNESS; ITEM 5 (ANNUAL UPDATES TO THE LONG-TERM FORECAST) WILL BE RETAINED; ITEM 6 (URBAN RUNOFF COMPLIANCE) SHALL CONTAIN NEW WORDING REGARDING COMPLIANCE FUNDING; AND ITEM 8 (SPECIAL EVENT SPONSORSHIP) SHALL BE CONSIDERED COMPLETED AND REMOVED FROM THE WORKPLAN.

Further discussion ensued regarding City Council consideration of the Special Event Sponsorship Policy; additional work with the Legal Department on the Special Event Sponsorship Policy; and combining FAC items on the City Council agenda.

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Items from Staff

Item S-1

Discussion of October Agenda

Jeff Muir, Chief Financial Officer, discussed items for the October agenda.

Discussion ensued between staff and Committee Members regarding holding subcommittee items until the City Council approves the work plan; scheduling; time necessary to add items to the agenda; discussion of the current forecast; educating new members; identifying the five largest revenue sources in the City; economic cycles; the Utility Users Tax; planning; ensuring adequate reserves; including a look at what happened in 2008; downward adjustments; and ensuring that the City is better prepared.

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Items from Committee Members

Member Reitzfeld reported being on the waiting list to get a new blue trash can.

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Adjournment

There being no further business, at 8:53 p.m., the Finance Advisory Committee adjourned its meeting to Wednesday, October 12, 2016 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

Crystal Alexander
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 Green
DEPUTY CITY CLERK

2 Nov 2016

Date