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

March 13, 2019
7:00 p.m.

CALL TO ORDER & ROLL CALL

Chair Leonard called the regular meeting of the City of Culver City Finance Advisory Committee to order at 7:00 p.m. in the Dan Patacchia Meeting Room at City Hall.

Members Present:
JANE LEONARD, Chair
DARREL MENTHE, Vice Chair
CRYSTAL ALEXANDER, Member
NANCY BARBA, Member
CHRISTOPHER HARRIS, Member**
SEAN KEARNEY, Member
BRYAN SUA, Member

Absent:
JOSE CASAREZ, Member
ALEJANDRO LARA, Member

Staff Present:
Onyx Jones, Chief Financial Officer
Erica McAdoo, Procurement & Financial Services Manager
Michelle Villongco, Secretary

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Pledge of Allegiance

Bryan Sua led the Pledge of Allegiance.

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Public Comment for Items NOT On the Agenda

Chair Leonard invited public comment.

No cards were received and no speakers came forward.

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Consent Calendar

Member Alexander received clarification that minutes had been tabled to the next meeting.

**Christopher Harris arrived at 7:30 p.m.

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Order of the Agenda

No changes were made.

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Action Items

Item A-1

Approval of Measure Y Sales Tax Status Report for Transmittal to the City Council and Discussion of Measure Y and Measure C Sales Tax Status Reports

Erica McAdoo, Senior Budget Management Analyst, provided a summary of the material of record.

THE FAC PASSED A MOTION TO APPROVE TRANSMITTAL OF THE MEASURE Y SALES TAX STATUS REPORT TO THE CITY COUNCIL.

Erica McAdoo, Senior Budget Management Analyst, indicated that based upon the discussion at the last meeting staff had created a template for a consolidated report; she provided background on the reason for the document; discussed changes made; notes; the sunset provision; the top 25; quarter summaries; and she noted that staff was looking for feedback on how to proceed.

Discussion ensued between staff and Committee Members regarding separation of revenue; information coming from Hindelater de Llamas (HdL); retail reporting; local vs. state taxes; presentation of data; stacking figures; colors used; the

importance of the document in fulfilling the mission of the FAC; clarification on the different sales taxes; and staff agreement to return at the next meeting with another template.

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Item A-2

(1) Discuss Proposed Measure CW Annual Report and (2) Provide a Recommendation for Transmittal to City Council

Erica McAdoo, Senior Budget Management Analyst, indicated that the information is from the 2017-2018 budget vs. what actually occurred; discussed making the report more dynamic; information on the webpage; Public Works construction projects; static financial reports; use of Measure CW funds; project status; photographs and videos; revenue and expenditure activity in the City for Measure CW; and highlights of the report.

Discussion ensued between staff and Committee Members regarding regional projects; public perception; highlighting information; illustrating how funds are being used; including information on matching grants; illustrating how Measure CW multiplied with grants; making it clear what percentage of the overall budget was funded by the Measure; and staff agreement to bring the report back to the FAC before submission to the City Council.

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Item A-3

Discussion Regarding the FAC's Initial Recommendations to the City Council for the Fiscal Year 2019/2020 Budget

Chair Leonard introduced the item.

Discussion ensued between staff and Committee Members regarding the cost recovery recommendation made last year; ways to generate more revenue for the City; the Transportation Demand Management Plan; shared mobility devices; periodic tracking of short term rental revenues; and cannabis revenue.

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Item A-5

(1) Discussion of Quarterly Committee Report of FAC Activities; (2) Authorization for Transmittal to City Council; and (3) Establishment of an

Ongoing Schedule for Future FAC Quarterly Reporting to the City Council

Chair Leonard reported that the FAC Quarterly report had been placed on the City Council agenda for March 18 and that she would be present to discuss the report.

Discussion ensued between staff and Committee Members regarding the presentation; length of time allowed for public comment; review of the financial policies as adopted by the City Council; staff reports; handouts provided to Council Members; talking points; setting the tone for the future; the amount accomplished each quarter; ongoing categories; formatting; encouragement for FAC Members to attend the meeting; the schedule for quarterly reports; and timing for the sales tax reports and document transmittal.

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Item A-5

Receive Reports from Subcommittees

Member Menthe reported on the Business Tax Review subcommittee noting that they were awaiting answers to questions submitted to the consultant.

Discussion ensued between staff and Committee Members regarding staff discussions with the consultant; preliminary data; raw data vs. averages; the sales tax measure going before the voters in 2020; timing; methods used by the consultants; scheduling a meeting between the subcommittee and staff before the next FAC meeting; communication with the City Council; privacy issues related to information used in the study; summary information; integrity of the data; clarification on the focus of the subcommittee; Measure Y; addressing the structural deficit; large businesses coming to the City; openness to considering how business taxes are handled; the outdated process; the fact that most cities do not address updating their taxes; recapturing costs; different revenue streams associated with businesses; Culver City business taxes as compared to other cities; burdens placed on the City by businesses; impacts on City services; finding a balance; the low profit margin for restaurants; analyzing businesses with the largest net profits; the audit program; collections; consistency; backlash; resentment for those business that do not comply; instituting an amnesty period; focusing on under-reporting businesses or those that do not report at all; tracking of exemptions; late fees; and onerous penalties.

Member Barba provided a report on the On Demand Transportation Services subcommittee; noted that the action items had been split up between members; discussed the actions of San Francisco; and changing legislation at the state level.

Discussion ensued between staff and Committee Members regarding state requirements pertaining to business licenses for drivers; the fact that taxi services are not subject to sales tax; unique issues in San Francisco; taxi services vs. shared rides; rides originating in San Francisco; regional taxes; imposing fees other than business taxes; fees for shared ride drop off points; Metro consideration of fees; shared mobility fees; local utilization of funds; congestion pricing; the timeline; the surcharge imposed in Oregon; ensuring that the framework is well established; the Metro timeline; comparisons with other cities; whether to present preliminary findings and recommendations to the Mobility, Traffic and Parking Subcommittee; and enforcement.

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Public Comment – Items NOT on the Agenda (Continued)

Chair Leonard invited public participation.

No cards were received and no speakers came forward.

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Receipt of Correspondence

None.

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Items from Committee Members/Staff

None.

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Item S-1

Articles, Issues and Updates

Chair Leonard discussed articles and links provided to Committee Members.

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Item S-2

Discussion of April Agenda

Discussion ensued between staff and Committee Members regarding scheduling; the report combining and consolidating Measures C and Y; Measure CW; subcommittee reports; business tax licenses; shared mobility; and encouragement to Committee Members to check for, and be responsive to, email from Erica McAdoo so that items are not lost.

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Adjournment

There being no further business, at 8:34 p.m., the Finance Advisory Committee adjourned its meeting to Wednesday, May 8, 2019 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

Jane Leonard
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
CITY CLERK

11 JUN 2019
Date