

**MINUTES OF THE CITY OF COSTA MESA
FINANCE AND PENSION ADVISORY COMMITTEE
July 10, 2019
4:00 PM**

1. CALL TO ORDER

The meeting was called to order by Chair Ralph Taboada at 4:03 PM in Conference Room 1A at Costa Mesa City Hall, 77 Fair Drive, Costa Mesa, California.

2. ROLL CALL

Members Present: Chair Ralph Taboada, Vice Chair Wendy Leece, Members, John Hinson, Al Melone, Matthew Parlow, Robert Juneman, Anna Vrska, Tom Pollitt, Mayor Pro-Tem John Stephens, and Member Tom Arnold present via teleconference.

Members Absent: Members Marwan Khalifa, Kayleigh Horn, and Tom Pollitt

Staff Present: Finance Director Kelly Telford, Assistant Finance Director Jennifer King, Management Analyst Amber Haston, and Executive Secretary Angie Madsen

Staff Absent: None

3. WELCOME AND INTRODUCTION

a. City Manager Lori Ann Farrell Harrison was introduced and addressed the committee.

4. PUBLIC COMMENTS

Speaker spoke on public comments regarding agenda items and the public's opportunity to speak about items on the agenda; views financial irresponsibility of the City Council in reference to the budget adoption; replenishment of the self-insurance fund; homelessness throughout the city.

Speaker spoke on undesirable financial decisions with regard to the budget; the Police Chief's memo and e-mail communication in regards to the memo; and concerns of repair needing made between the Police Department, City Council, and FIPAC.

5. APPROVAL OF MINUTES OF THE May 29, 2019 FIPAC MEETING

MOTION/SECOND: John Hinson / Ralph Taboada

MOTION: Approve the minutes as presented.

Ayes: Tom Arnold, Al Melone, and Anna Vrska

Nays: None

Abstain: Robert Juneman, Wendy Leece, and Tom Pollitt

Absent: Marwan Khalifa, and Kayleigh Horn. Matthew Parlow stepped out of the meeting at the time of the vote.

Motion Carried: 5-0-3-3

APPROVAL OF MINUTES OF THE June 12, 2019 FIPAC MEETING

MOTION/SECOND: Wendy Leece / Robert Juneman

MOTION: Approve the minutes as presented.

Ayes: Tom Arnold, John Hinson, Al Melone, Ralph Taboada, and Anna Vrska

Nays: None

Abstain: Tom Pollitt

Absent: Marwan Khalifa, and Kayleigh Horn. Matthew Parlow stepped out of the meeting at the time of the vote.

Motion Carried: 7-0-1-3

6. OLD BUSINESS

a. *FY 2019-20 Preliminary Operating Budget – Discussion of schedule to finalize recommendations to City Council.*

i. Chair Taboada provided a follow-up draft letter to be presented to City Council upon the committee's review and approval.

1. Self-Insurance Costs - Chair Taboada will re-state the verbiage to clarify who is asking the question as well as what the existing claims are. Add Self-Insurance Costs as a possible future FIPAC agenda item.
2. Homeless Shelter - Staff will provide the operating costs of the shelter to FIPAC via e-mail and this topic will be removed from the letter.
3. Five-Year Forecast - Staff will provide the updated version of the Five-Year Forecast for the Preliminary Budget Book that was distributed to the committee at the May 8th meeting.
4. FY 19/20 Adopted Budget Book – Chair Taboada will re-state to request Actual headcounts to be provided twice per year (mid-year and year-end).
5. Preliminary FY 18/19 Actuals – Staff provided information that there will be a Q1 City Council Study Session on November 12, 2019.
6. FY18/19 Surplus – Chair Taboada will re-state this item to reflect that any surplus will be added back to reserves.

MOTION/SECOND: John Hinson / Robert Juneman

MOTION: Approve the follow-up budget letter with the noted changes.

Ayes: Wendy Leece, Al Melone, Tom Pollitt, Anna Vrska, and Ralph Taboada,

Nays: Tom Arnold and Matthew Parlow

Abstain: None

Absent: Marwan Khalifa, and Kayleigh Horn

Motion Carried: 7-2-0-2

7. SUBCOMMITTEE AND COMMITTEE MEMBERS' REPORTS, COMMENTS, AND SUGGESTIONS

- a. Vice-Chair, Wendy Leece, requested additional information regarding raising fees to include planning fees. ~~XXXX~~
- b. Member, Anna Vrska, read a portion of an article from the Voice of O.C. in reference to Garden Grove's cost of police raises.

8. NEW BUSINESS

a. Evaluate FiPAC's Roles, Goals, and Objectives

- i. Chair Taboada provided some comparative data with regards to neighboring cities Finance Committees/Commissions.
- ii. Mayor Pro Tem, John Stephens, will seek the input of City Manager, Lori Ann Farrell Harrison, with regards to the scope of the committee.
- iii. Staff will provide the City Council's Goals and Priorities pamphlet to the committee at the next meeting on August 14, 2019.

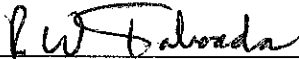
9. CITY STAFF REPORT

a. Finance Director, Kelly Telford, provided the following updates/information

- i. Q1 City Council Study Session is scheduled for November 12, 2019
- ii. I.T. Strategic Plan will be going back to City Council at a future date
- iii. 19/20 Investment Policy is on the City Council's agenda for August 6, 2019 and will not be going back to FiPAC as the only change is to conform to a change the State adopted

10. ADJOURNMENT

The meeting was adjourned at 6:22 p.m. The next regularly scheduled meeting will be held on Wednesday, August 14, 2019 at 4:00 p.m.



Ralph Taboada, Chair



Kelly A. Telford, Finance Director