

Finance Subcommittee Meeting Draft Action Minutes

Meeting Date: June 24, 2014
Recording Secretary: Helga Foushanes

In Attendance: Tim Lilligren, Treasurer
Wayne Powell, Mayor Pro Tem
Tony D'Errico, Councilmember
Bruce Moe, Finance Director/Acting City Manager
Henry Mitzner, Controller
Steve Charelian, Revenue Services Manager
Eden Serina, Budget Analyst
Jeanne O'Brien, Sr. Accountant

Called to Order: 8:41 A.M. by Tim Lilligren, City Treasurer

Agenda Item #1 – Approval of Minutes from April 9, 2014 Finance Subcommittee Meeting

The Finance Subcommittee unanimously approved the minutes of the April 9, 2014 meeting.

Agenda Item #2 – Fiscal Year 2013-2014 Monthly Schedule of Transient Occupancy Tax and Lease Payments and Miscellaneous Accounts Receivables

The Finance Subcommittee received and filed the report.

Agenda Item #3 – May Month-End Financial Reports – Fiscal Year 2013-2014

The Finance Subcommittee received and filed the report.

Agenda Item #4 – Investment Portfolio for May 2014

The Finance Subcommittee received and filed the report

Agenda Item #5 – Annual Review of City Investment Policy with Proposed Changes

The Finance Subcommittee approved the City's Investment Policy with the following changes:

1. Add language to the end of the 2nd paragraph of the State Local Agency Investment Fund (LAIF) section that the City Treasurer will provide written notification to the Subcommittee if LAIF exceeds 50% for more than 30 days.
2. Correct Section **X**. – Internal Control – "...control of collusion, separation of duties, separating **transition** authority..." to "...control of collusion, separation of duties, separating **transaction** authority..."

Agenda Item #6 – Review of City Council Financial Policy on City Council Contingency

The Finance Subcommittee directed staff to prepare a report to the full City Council that includes options discussed by the Subcommittee, including: abolishing the Contingency account; implementing a policy of maintaining a minimum amount of unreserved fund balance to

act as a Contingency; Maintaining the Contingency but limiting it to \$100,000 as a flat amount (not percentage of General Fund expenditures); Further restrict the use of the Contingency to one-time, non-repeating uses; Not allowing the allocation of Contingency funds during the budget process (those expenses to be budgeted separately and independently).

Resident Gerry O'Connor spoke in favor of eliminating the account.

Agenda Item #7 – Discussion of Taxi Cab Franchise Timing and Process (No Written Report)

The Finance Subcommittee concurred with staff to extend the existing Taxicab Franchises on a month-to-month basis after expiration in August 2014, with the new franchises to coincide with the calendar year for ease of enforcement. The Subcommittee further directed that the new Franchise agreements include language regarding compliance with parking laws and ramifications for non-compliance. The Subcommittee agreed to participate in the review and evaluation of the proposals for the new franchises later in the year.

Agenda Item #8 – Public Comments

Agenda Item #9 – Adjournment

The meeting adjourned at 9:58 A.M.