

# **MINUTES FINANCE COMMISSION REGULAR MEETING November 5, 2012**

City Council Chamber  
One Civic Center Plaza  
Irvine, CA 92606

## **CALL TO ORDER – 5:30 p.m.**

### **ROLL CALL**

|          |   |               |           |
|----------|---|---------------|-----------|
| Present: | 5 | Commissioner: | Bollard   |
|          |   | Commissioner: | Chai*     |
|          |   | Commissioner: | Wong      |
|          |   | Vice Chair:   | Duong     |
|          |   | Chair:        | Ezzeldine |

\*Commissioner Chai arrived at 5:31 p.m.

## **PLEDGE OF ALLEGIANCE**

Vice Chair Duong led the Pledge of Allegiance.

## **INTRODUCTIONS**

There were no introductions.

## **PRESENTATIONS**

There were no presentations.

## **COMMITTEE REPORTS**

There were no committee reports.

## **ADDITIONS AND DELETIONS TO THE AGENDA**

There were no additions or deletions to the agenda.

## **PUBLIC COMMENTS**

There were no public comments.

## **CONSENT CALENDAR**

The Consent Calendar consisted of Items 1 through 4.

**ACTION: Moved by Vice Chair Duong, seconded by Commissioner Bollard, and unanimously carried to approve Consent Calendar Items 1 and 4.**

### **1. MINUTES**

#### **ACTION:**

Approved the minutes of a regular meeting of the Finance Commission held on September 17, 2012.

### **2. ACCEPTANCE OF AVOID THE 26 - DRIVING UNDER THE INFLUENCE CAMPAIGN PROJECT FOR ORANGE COUNTY**

#### **RECOMMENDED ACTION:**

Recommended that the City Council authorize the Director of Public Safety to accept a \$6,300 grant award from "Avoid the 26 – Driving Under the Influence Campaign Project for Orange County," and approve the budget adjustment request in the amount of \$6,300, reflecting an increase in revenues and expenditures.

### **3. SINGLE AUDIT OF FEDERALLY ASSISTED GRANT PROGRAMS FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

#### **RECOMMENDED ACTION:**

Recommended the City Council receive and file.

### **4. AIR QUALITY IMPROVEMENT SPECIAL REVENUE FUND AUDIT FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

#### **RECOMMENDED ACTION:**

Recommended the City Council receive and file.

## **COMMISSION BUSINESS**

### **5. FISCAL YEAR 2011-12 GENERAL FUND YEAR END REPORT**

Sean Joyce, City Manager, presented the staff report and answered questions. Ken Brown, Manager of Budget and Business Planning, and Lori Fisher, Senior Management Analyst, were also present and answered questions.

Commission discussion included: sales tax; comparison of actuals to Bridge Plan; reserve build up; Workers Compensation reserves; tenant improvements at the train station; expiration of Great Park lease; Measure BB; and explanation of Great Park facility.

**RECOMMENDED ACTION: Moved by Chair Ezzeldine, seconded by Vice Chair Duong, and unanimously carried to:**

- 1) Recommend the City Council receive and file the Budget Update Report for the Fiscal Year Ended June 30, 2012.
- 2) Recommend the City Council approve a Budget Adjustment for Prior City Council Actions/Direction allocating \$15,500 in expenditures for specific projects/programs previously approved by the City Council in FY 2011-12 that were not completed by the end of the fiscal year.
- 3) Recommend the City Council approve a Budget Adjustment allocating \$283,830 of year-end General Fund balance for outstanding encumbrances and Purchase Orders.
- 4) Recommend the City Council approve a Budget Adjustment increasing allocations and transfers by \$1,250,000 for various priority facility maintenance and rehabilitation projects and approve the establishment of new capital improvement projects and other accounts, as necessary, to account for the public facility improvement effort.
- 5) Recommend the City Council approve a Budget Adjustment increasing allocations and transfers by \$5,125,495 for other programs and projects recommended by the City Manager including the establishment of new capital improvement projects and other accounts, as necessary, to account for adopted City Manager recommendations.
- 6) Recommend the City Council leave for allocation at a later time the remaining Unallocated Year-End Balance to preserve the City Council's flexibility when determining future funding options for a tenant improvement project at the Irvine Train Station.

As amended:

- 7) Recommend the City Council increase the Contingency Reserve Fund target balance from 15 percent to 20 percent over the course of the next three fiscal years.

**6. COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) FOR THE FISCAL YEAR ENDED JUNE 30, 2012 AND AUDITORS' COMMUNICATION**

Teri Washle, Finance Administrator, presented the staff report and answered questions. Robin Chung, Senior Accountant, was also present to answer question.

There was no Commission discussion.

**RECOMMENDED ACTION: Moved by Commissioner Bollard, seconded by Commissioner Chai, and unanimously carried to:**

Recommend the City Council receive and file.

**7. FISCAL YEAR 2011-12 CAPITAL IMPROVEMENT AND SPECIAL FUNDS YEAR END REPORT**

Teri Washle, Finance Administrator, presented the staff report and answered questions. Andy Do, Senior Accountant, was also present and answered questions.

Commission discussion included: explanation of transfer of funds from closed projects; project timelines; identification and funding of projects; and projects in assessment districts.

**RECOMMENDED ACTION: Moved by Chair Ezzeldine, seconded by Commissioner Chai, and unanimously carried to:**

- 1) Recommend the City Council approve the continuation of 353 City and Special District capital projects with budgets totaling \$179.7 million to Fiscal Year 2012-13.
- 2) Recommend the City Council approve the closure of 45 completed projects, with \$54.2 million in expenditures.
- 3) Recommend the City Council approve the adjustment of inter-fund transfers needed for capital projects among the General, Infrastructure and Rehabilitation, Measure M Turnback, Gas Tax, System Development Charge, Renewed Measure M2 Fairshare, Fees and Exactions, Community Facility District, and Fleet Service Funds for the fiscal year beginning July 1, 2012.
- 4) Recommend the City Council approve funding for outstanding purchase orders and continuing activities in the Special Funds totaling \$2.7 million.

**8. BUDGET ADJUSTMENT TO ESTABLISH CAPITAL IMPROVEMENT PROJECT FOR PLAZA NEIGHBORHOOD PARK PLAYGROUND REHABILITATION**

Andy Best, Associate Planner, presented the staff report and answered questions. Steve Haubert, Principal Planner, was also present and answered questions.

Commission discussion included: location and age of park; total budgeted amount and equipment upgrade.

**RECOMMENDED ACTION: Moved by Vice Chair Duong, seconded by Commissioner Bollard, and unanimously carried to:**

- 1) Recommend the City Council establish a new Capital Improvement Project (CIP 371303) for site survey, utility detection and topographical evaluation for the Plaza Neighborhood Park Playground area.
- 2) Recommend the City Council allocate \$40,000 from available fund balance from the closure of Deerfield Community Park Playground Rehabilitation project (CIP 378040) to Plaza Neighborhood Park Rehabilitation project (CIP 371303).

**9. BOND ISSUANCE FOR ASSESSMENT DISTRICT NO. 11-24**

Valaya Chitchakkol, Finance Administrator, presented the staff report and answered questions. Paul Pender, Vice President of Fieldman Rolapp & Associates was also present and answered questions.

Commission discussion included an explanation of why the bonds are being issued at this time.

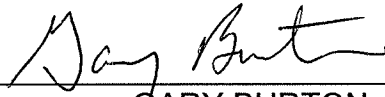
**RECOMMENDED ACTION: Moved by Chair Ezzeldine, seconded by Commissioner Chai, and unanimously carried to:**

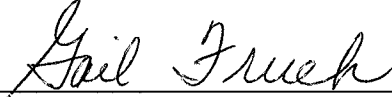
Recommend the City Council adopt - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE AUTHORIZING THE ISSUANCE NOT TO EXCEED \$38,655,000 OF CITY OF IRVINE ASSESSMENT DISTRICT NO. 11-24 LIMITED OBLIGATION IMPROVEMENT BONDS, SERIES A, APPROVING THE EXECUTION AND DELIVERY OF AN INDENTURE, A BOND PURCHASE AGREEMENT AND OTHER MATTERS RELATED THERETO

**ADJOURNMENT – 7:25 p.m.**

By consensus, Chair Ezzeldine adjourned the meeting at 7:25 p.m.

  
OMAR EZZELDINE  
CHAIR

  
GARY BURTON  
DIRECTOR OF ADMINISTRATIVE SERVICES

  
GAIL FRUEH  
RECORDING SECRETARY

  
DATE APPROVED

