

**MINUTES
FINANCE COMMISSION
REGULAR MEETING
November 16, 2015**

City Council Chamber
1 Civic Center Plaza
Irvine, CA 92606

CALL TO ORDER – 5:30 p.m.

ROLL CALL

PRESENT: 5	Commissioner	Dressler
	Commissioner:	Montgomery
	Commissioner:	Reyno
	Vice Chair:	Stein
	Chair:	Bartlett

PLEDGE OF ALLEGIANCE

Commissioner Dressler 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 and 2.

ACTION: Moved by Vice Chair Stein, seconded by Chair Bartlett, and unanimously carried to approve Consent Calendar Item 1.

1. MINUTES

ACTION:

Approved the minutes of a regular meeting of the Finance Commission held on November 2, 2015.

2. REQUEST APPROVAL TO APPLY FOR FEDERAL TRANSIT ADMINISTRATION SECTION 5310 GRANT FOR NEW TRIPS VEHICLES

This item was removed for separate discussion at the request of Commissioner Dressler.

Toni McDonald Pang, Community Services Superintendent, presented the item and answered questions. Sheila Driscoll, Community Services Superintendent, Laurie Gruschka, Senior Management Analyst, Mike Cribbin, Senior Management Analyst, and Chuck Adams, Interim Director of Administrative Services, were also present and answered questions.

Commission discussion included: listing neighboring cities; the notification process if a ride request is turned down; statistics on residents with disabilities; Compressed Natural Gas (CNG) vehicle requirements for all future purchases; grant requirements to operate and maintain the vehicles for their lifespan; date of last TRIPS fee increase; cost estimates for two vehicles, one full time and one extended part time driver; and the status of the next cost recovery review study per City policy.

ACTION: Moved by Commissioner Dressler, seconded by Chair Bartlett, and unanimously carried to:

- 1) Recommend that the City Council approve the City's application for a Federal Transit Administration Section 5310 Grant for two new Compressed Natural Gas (CNG) vehicles for the TRIPS program and, contingent upon grant approval, authorize staff to include in the Fiscal Year 2017-18 Budget costs and revenues detailed in the Financial Impact section of this report.
- 2) Recommend that the City Council adopt A RESOLUTION NO. 15-XX - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, AUTHORIZING FEDERAL FUNDING UNDER FEDERAL TRANSIT ADMINISTRATION SECTION 5310 (49 U.S.C. SECTION 5310) WITH THE CALIFORNIA DEPARTMENT OF TRANSPORTATION

As amended, to include action #3, as follows:

- 3) Recommend that the City Council analyze ridership fees charged and evaluate rider income levels for TRIPS services.

COMMISSION BUSINESS

3. TREASURER'S REPORT FOR THE QUARTER ENDED SEPTEMBER 30, 2015

Don Collins, City Treasurer, presented the staff report and answered questions.

Commission discussion included: low interest rates; and non-callable securities.

ACTION: Moved by Commissioner Montgomery, seconded by Commissioner Reyno, and unanimously carried to:

Recommend that the City Council adopt - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, ADOPTING THE CITY'S ANNUAL INVESTMENT POLICY FOR CALENDAR YEAR 2016

4. CITY OF IRVINE INVESTMENT POLICY FOR CALENDAR YEAR 2016

Don Collins, City Treasurer, presented the staff report and answered questions.

Commission discussion included: definition and security of the supranational asset class; the economic factors that lead to this year's Investment Portfolio changes; and the Investment Advisory Committee's recommendation for more portfolio diversity.

ACTION: Moved by Commissioner Dressler, seconded by Vice Chair Stein, and unanimously carried to:

Recommend the City Council adopt - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, ADOPTING THE CITY'S ANNUAL INVESTMENT POLICY FOR CALENDAR YEAR 2016

5. COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2015 AND AUDITORS' COMMUNICATION

Teri Washle, Finance Officer, presented the staff report and answered questions. Debbie Harper, Partner, Lance, Soll & Lunghard was also available to answer questions.

Commission discussion included: the required change in pension reporting; governmental accounting adjustments; the Great Park historical basis; land value on financial statements; how the decision to sell a parcel of land is reached; 10 year historical trend in fluctuating sales tax compared to property tax; and the cost of the audit.

ACTION: Moved by Commissioner Reyno, seconded by Vice Chair Stein, and unanimously carried to:

Recommend that the City Council receive and file.

6. FISCAL YEAR 2015-16 FIRST QUARTER BUDGET UPDATE

Peter Hong, Management Analyst II, presented the staff report and answered questions. Chuck Adams, Interim Director of Administrative Services, and Angelina Garcia, Manager of Budget & Business Planning were also present and answered questions.

Commission discussion included: department vacancies, executive recruitments, and recruiting techniques; and sales and property tax trends.

ACTION: Moved by Commissioner Dressler, seconded by Commissioner Reyno, and unanimously carried to:

Receive and file the Fiscal Year 2015-16 First Quarter Budget Update.

Chair Bartlett left the meeting at 7:00 p.m. and was not present for Agenda Item 7.

7. REVIEW OF THE CITY'S PURCHASING POLICIES ASSOCIATED WITH THE GOAL OF REALIZING COST SAVINGS

Chuck Adams, Interim Director of Administrative Services presented the staff report and answered questions.

Commission discussion included: adding the draft proposal to the budget policies section of the 2016 Budget Book; and adding that the proposed draft include volume discounts.

ACTION: Moved by Vice Chair Stein, seconded by Commissioner Montgomery, and unanimously carried to by those present to:


Recommend that the City Council adopt the draft policy language presented within this report to emphasize total cost of ownership factors when making purchasing decisions and that this policy be included in the Financial Policies section of the 2016-17 adopted budget.

ADJOURNMENT

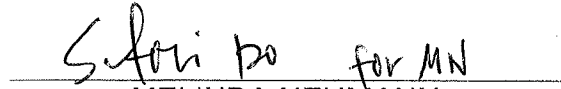
By consensus, Vice Chair Stein adjourned the meeting at 7:15 p.m.



ALLAN BARTLETT
CHAIR



CHUCK ADAMS
INTERIM DIRECTOR OF
ADMINISTRATIVE SERVICES



MELINDA NEUMANN
RECORDING SECRETARY



DATE APPROVED