



**MINUTES
FINANCE COMMISSION
REGULAR MEETING
May 15, 2017**

City Council Chamber
1 Civic Center Plaza
Irvine, CA 92606

CALL TO ORDER – 5:31 p.m.

ROLL CALL

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

PLEDGE OF ALLEGIANCE

Vice Chair Bartlett led the Pledge of Allegiance.

INTRODUCTIONS

There were no introductions.

ANNOUNCEMENTS

There were no announcements.

PRESENTATIONS

There were no presentations.

COMMITTEE REPORTS

There were no committee reports.

ADDITIONS AND DELETIONS TO THE AGENDA

There were no additions or deletions.

PUBLIC COMMENTS

There were no public comments.

COMMISSION BUSINESS

1. MINUTES

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

Approve the minutes of an adjourned regular meeting of the Finance Commission held on May 8, 2017.

2. FISCAL YEAR 2017-18 LANDSCAPE, LIGHTING AND PARK MAINTENANCE ASSESSMENT

Jennifer King, Finance Administrator, presented the report and answered questions. Kristin Griffith, Director of Financial Services, and Jay Ponce, Senior Management Analyst, were also present and answered questions. Beatrice Medina, from Willdan Financial Services, was available for questions.

Commission discussion included: calculation of the FY 2017-18 Assessment source; switching the funding source from General Fund to Fund 119; the City's total electricity cost; responsibility for maintaining the City's street lights; and converting all new City street lights to LED lighting and incorporating it in the Energy Plan update.

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

Recommend that the City Council adopt – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, DECLARING ITS INTENTION TO LEVY AND COLLECT ANNUAL ASSESSMENTS, APPROVING THE ENGINEER'S ANNUAL LEVY REPORT AND ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS FOR THE IRVINE LANDSCAPE, LIGHTING AND PARK MAINTENANCE ASSESSMENT, FISCAL YEAR 2017-18

3. FISCAL YEAR 2017-18 MARCH BUDGET UPDATE

Roger Galli, Budget Officer, presented the report and answered questions. Kristin Griffith, Director of Financial Services, was also present and answered questions.

Commission discussion included: modifying the monthly budget updates to focus on significant changes and adding an executive summary section highlighting major points; including a real-time assessment of the budget; the reduction in contract services expenditures; and the acceleration in filling vacancies.

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

Receive and file the Fiscal Year 2016-17 March Budget Update.

4. FISCAL YEAR 2017-18 BUDGET

COMMUNITY DEVELOPMENT PRESENTATION

Susan Emery, Director of Community Development, introduced the Community Development Budget for 2017-18 and answered questions. Susan Wheelock, Senior Management Analyst, presented the Community Development budget detail for 2017-18 and answered questions.

Commission discussion included: the allocation of costs to Funds 005 and 024 and the number of full-time employees that are recoverable by these funds; the collection of unfunded pension liability through overhead costs; determining staffing based on the number of employees needed at build-out and projected attrition rate; the decrease in Development Services transfers-in revenue in the next few years; the impact of a multi-occupancy housing model on the City's financial stability; using money from hotel improvement districts to promote activities to better serve the community; affordable housing for the people who work in Irvine; frequency of General Plan updates; amount of expenditures shifted from FY 2016-17 to 17-18; and increasing developer fees to sufficiently recover pension fees.

COMMUNITY SERVICES PRESENTATION

Laurie Hoffman, Director of Community Services, introduced the Community Services Budget for 2017-18 and answered questions. Mike Cribbin, Senior Management Analyst, presented the Community Services budget detail for 2017-18 and answered questions. Kim Mahon, Management Analyst, Ed Crofts, Community Services Manager – Great Park, and Darin Loughrey, Community Services Manager of Parks & Recreation, were also present and answered questions.

Commission discussion included: the percent increase in salaries and benefits from full-time positions; increases in expenditure due to growth, additional services, and transfers from other departments; potential changes in cost and revenues from classes and programs as a result of the recent cost study; the Great Park's main sources of revenue; the community's request for additional park and recreational facilities; the timeline for planning Heritage Park; offering more fully accessible playgrounds and expanded programming for the City's senior and special needs population; breakdown of the operation and maintenance of the balloon; the current operating capacity of the balloon and ways to increase revenue through improved ridership and park utilization; resident vs. non-resident cost of riding the balloon; and staffing at the Quail Hill Trailhead.

PUBLIC WORKS PRESENTATION

Manuel Gomez, Director of Public Works, introduced members of the Public Works staff. Scott Smith, Deputy Director of Public Works, introduced the Public Works Budget for 2017-18 and answered questions. Jay Ponce, Senior Management Analyst, presented the Public Works budget detail for 2017-18 and answered questions. Kristin Griffith, Director of Financial Services, Mike Apodaca, Manager of Public Services, and Jaimee Bourgeois, City Traffic Engineer, were also present and answered questions.

Commission discussion included: the shift of landscape maintenance costs from the General Fund to the Gas Tax Fund and the concern over one-time shifts; reason for transferring to the Slurry Seal from the Fund Gas Tax Fund; impact of the minimum wage increase and its effect on existing contracts; calculation of the Civic Center Maintenance and Operations Fund; reasons for the decrease in the Fleet Services Fund; an explanation of the slurry seal and resurfacing cycles; determining the placement of stoplights; preparing for the emergence of autonomous vehicles; responsibility for the maintenance of bus stop shelters; explaining the study and implementation of traffic signal timing on Alton; the condition of City vehicles returned after employee use; and new projects that may improve Return on Investment and reduce costs.

CAPITAL IMPROVEMENT PROJECTS PRESENTATION

Jessica Depner-Pham, Senior Management Analyst, introduced the Capital Improvement Projects presentation. Jay Ponce, Senior Management Analyst, presented the Capital Improvement Projects budget detail for 2017-18 and answered questions. Manuel Gomez, Director of Public Works, Kristin Griffith, Director of Financial Services, and Chris Koster, Manager of Great Park Planning & Development, were also present and answered questions.

Commission discussion included: an explanation and progress update of the Civic Center Tenant Improvements project; plans to relocate staff due to maximum occupancy; securing construction funds to improve the Animal Care Center; the importance of reserving funds for future maintenance and rehabilitation costs; the need for the Great Park Visitor's Center Plaza Refurbishment project; the need for considering depreciation-type funding for certain City infrastructure and Great Park facilities; and maintenance of City sewers by the Irvine Ranch Water District.

ADJOURNMENT

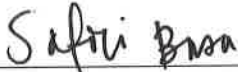
By consensus, Chair Stein adjourned the meeting at 8:55 p.m.



RUSSELL STEIN
CHAIR



KRISTIN GRIFFITH
DIRECTOR OF FINANCIAL SERVICES



SATORI BASA
RECORDING SECRETARY



DATE APPROVED