

MINUTES –CITIZENS OVERSIGHT/FINANCE  
ADVISORY COMMITTEE  
REGULAR MEETING – JANUARY 18, 2022  
TELECONFERENCE – 3:00 p.m.

*City Council conducted this meeting in accordance with Assembly Bill 361 (2021-22) and Government Code section 54953 in response to the present State of Emergency in existence due to the threat of COVID-19. This meeting was held via teleconference for all participants.*

MEMBERS PRESENT:        John Martin                    Chair  
                                 Barbara Spagnola            Vice-Chairperson  
                                 Bart Beckman                Committee Member  
                                 Homer Alexander           Committee Member  
                                 Tina Wener                    Committee Member  
                                 Stephen Peck                 Committee Member

MEMBERS ABSENT:        Lois Johnson                 Committee Member

STAFF PRESENT:         Scott Collins                  City Manager  
                                 Sarah Johnson-Rios        Assistant City Manager/Admin Services Dir.  
                                 Emily Conrad                Finance Manager  
                                 Kelly Mattos                 Senior Administrative Services Analyst

**ESTABLISH QUORUM AND CALL TO ORDER**

<https://youtu.be/2-Z2reWvpCg?t=17>

Chair John Martin called the meeting to order at 3:01 p.m. with all but Member Johnson present.

**COMMITTEE ANNOUNCEMENTS & PRESENTATIONS - None**

**PUBLIC COMMENT - None**

**A.        CONSENT CALENDAR**  
<https://youtu.be/2-Z2reWvpCg?t=123>

**1. APPROVAL OF MINUTES FOR THE DECEMBER 21, 2021 CITIZENS' OVERSIGHT/FINANCE ADVISORY COMMITTEE MEETING**

MOTION: Member Wener moved to approve the minutes from the December 21, 2021 Citizens Oversight/Finance Advisory Committee meeting. The motion was seconded by Member Peck and carried 6-0-1 by roll call vote with Member Johnson absent.

**B.        BUSINESS ITEMS**

**1. BRIEF ASSISTANT CITY MANAGER / DIRECTOR UPDATE**  
<https://youtu.be/2-Z2reWvpCg?t=196>

Assistant City Manager/Admin Services Director Johnson-Rios provided a brief update including information about staffing in the Administrative Services Department, Council implementing the CFAC recommendation to increase Council

member compensation but not an increase in benefits and an update that the City did receive proceeds from the sale of 2783 Coral Avenue on the last day of the calendar year 2021. Assistant City Manager/Admin Services Director Johnson – Rios answered member questions.

Public Comment: None

The report was received and filed.

2. PRESENTATION TO THE CITY COUNCIL REGARDING CFAC'S REVIEW OF THE FY 2020-21 UNAUDITED TRANSACTIONS FROM THE COLLECTION OF THE GENERAL-PURPOSE LOCAL SALES TAX, COMMONLY KNOWN AS "MEASURE Q"; (CHAIRMAN JOHN MARTIN)  
<https://youtu.be/2-Z2reWvpCg?t=579>

Public Comment: None

MOTION: Member Alexander moved to accept the presentation prior to taking it to the City Council. The motion was seconded by Member Peck and carried 6-0-1 by roll call vote with Member Johnson absent.

3. INFORMATIONAL UPDATE ON THE CITY'S OPEB LIABILITIES (ADMIN SERVICES)  
<https://youtu.be/2-Z2reWvpCg?t=1021>

Assistant City Manager/Admin Services Director Johnson-Rios introduced the item and turned to Will Kane from Total Compensations Systems, Inc., who provided the presentation on the City's Retiree Health Benefits under GASB 74/75 and responded to member questions.

Public Comment:  
None

MOTION: Member Alexander recommends the City Council add an additional item in conjunction with the pension funding policy. An investment policy would also be developed. The investment policy would include targeted allocation between fixed income equity assets based on the City Councils risk tolerance. The new policy would be reviewed once a year. The motion was seconded by Member Martin for discussion.

AMENDED MOTION: Member Alexander recommend the City Council add an additional item in conjunction with the pension funding policy. An investment policy for the OPEB 115 trust would also be developed. The investment policy would include targeted allocation between fixed income equity assets based on the City Councils risk tolerance. The new policy would be reviewed once a year. The motion was seconded by Member Martin for discussion.

Following discussion, Member Alexander withdrew his motion and Chair Martin withdrew the second.

MOTION: Member Alexander recommends that an investment policy for the OPEB 115 trust should be developed. The OPEB investment policy would include targeted allocation between fixed income equity assets based on the City Councils risk tolerance. The policy should be reviewed at least once a year. Member Martin seconded for discussion.

Following discussion, Member Alexander withdrew his motion and Chair Martin withdrew the second.

Motion: Member Alexander moved to make a recommendation to receive and file. The motion was seconded by Member Wener and carried 6-0-1 by roll call vote with Member Johnson absent.

C. FUTURE AGENDA ITEMS

<https://youtu.be/2-Z2reWvpCg?t=5070>

1. Annual Comprehensive Financial Report
2. WRF Quarterly Report
3. Investment Quarterly Report
4. Select Chair and Vice Chairpersons
5. Mid-Year Budget Review

MOTION: Member Peck moved to move to put the Investment Policy, including all 115 Trusts, on an agenda for review and recommendation before the budget process of setting up the 115 Trusts. The motion was seconded by Member Alexander and carried 6-0-1 by roll call vote with Member Johnson absent.

D. SCHEDULE NEXT MEETING

The next regularly scheduled Citizen's Oversight/Finance Committee meeting will be February 15, 2022 at 3:00 pm via teleconference.

E. ADJOURNMENT

The meeting adjourned at 4:34 p.m.

Recorded by:

Tracy McConnell  
Account Clerk III