

MINUTES –CITIZENS OVERSIGHT/FINANCE
ADVISORY COMMITTEE
REGULAR MEETING – FEBRUARY 18,2025
VETERAN'S MEMORIAL HALL – 3:00 p.m.

MEMBERS PRESENT: Stephen Peck Chair
 Michael Woody Committee Member
 Brian Dorfman Committee Member
 Jean Johnson Committee Member
 Sarah Love Committee Member

ABSENT: None

STAFF PRESENT: Yvonne Kimball City Manager
 Emily Conrad Finance Director
 Greg Kwolek Public Works Director
 Melissa Green Administrative Programs Manager

ESTABLISH QUORUM AND CALL TO ORDER
<https://youtu.be/UPuYyvrUel4?feature=shared&t=10>

Chair Peck called the meeting to order at 3:00 p.m. with all present.

SELECT CHAIR AND VICE-CHAIR
<https://youtu.be/UPuYyvrUel4?si=emm8mARgsdpbNB0P&t=40>

MOTION: Member Woody moved to nominate Member Peck to remain as Chairperson for the Citizens Oversight/Finance Advisory Committee. The motion was seconded by Member Johnson and carried 5-0.

MOTION: Member Dorfman moved to nominate Member Woody to remain as Vice-Chairperson for the Citizens Oversight/Finance Advisory Committee. The motion was seconded by Member Johnson and carried 5-0.

Chair Peck and Vice-Chair Woody suggested rotating seats at the next Chair and Vice-Chair selection.

COMMITTEE ANNOUNCEMENTS & PRESENTATIONS
<https://youtu.be/UPuYyvrUel4?feature=shared&t=313>

FINANCE DIRECTOR UPDATE:
<https://youtu.be/UPuYyvrUel4?feature=shared&t=919>

PUBLIC COMMENT
<https://youtu.be/UPuYyvrUel4?feature=shared&t=964>
Chair Peck opened public comment, seeing none, the Chair closed public comment.

A. CONSENT CALENDAR
<https://youtu.be/UPuYyvrUel4?feature=shared&t=1005>

A-1 APPROVAL OF MINUTES FOR THE JANUARY 21, 2025 CITIZEN'S
 OVERSIGHT/FINANCE ADVISORY COMMITTEE MEETING

MOTION: Member Love moved to approve the January 21, 2025 Citizens Finance Advisory Committee meeting minutes. The motion was seconded by Member Johnson and carried 5-0.

B. BUSINESS ITEMS

B-1 SECOND REVIEW OF FISCAL YEAR (FY) 2023-24 TRASNCTIONS FROM THE COLLECTION OF THE GENERAL-PURPOSE LOCAL SALES TAX, COMMONLY KNOWN AS MEASURE Q/E

<https://youtu.be/UPuYyvrUel4?feature=shared&t=1049>

Administrative Programs Manager Green presented the report and responded to Committee Member inquires.

Public comment:

Homer Alexander, Morro Bay resident and former CFAC member, commented on Measure E, stating that it was written with less oversight language compared to previous measures.

MOTION: Vice Chair Woody moved to approve staff's recommendation with the following amendments:

- 1) Request that the City Council reverse the allocation of Dock-Repair funding from the Measure Q/E fund.
- 2) Review the Sequoia Court allocation to determine how it was assigned, and consider reallocating those funds back to the Measure Q/E fund balance.
- 3) Confirm that the Roundabout project qualifies under the definitions established for Measure Q/E expenditures.

The motion was seconded by Member Love and carried 5-0.

Following discussion, the Committee discussed reviewing the CIP budget and capital project requests to ensure alignment with Measure Q/E voter intent and Council goals. There was concern that the reserve requirements may be set too high, and encouraged completion of the Capital Facilities Planning effort. There was a request for more detailed revenue projections, broken down by tax type.

Following discussion, individual committee members offered comments highlighting the importance of identifying additional revenue sources and suggested involving CFAC in the Community Grant Program.

Chair Peck announced that Item B-2 would be heard after Item B-4.

B-2 CFAC CONSIDERATION OF CITY STAFF RECOMMENDATION TO REQUEST DISBURSEMENTS OF ADDITIONAL SRF FINANCING FOR THE WRF PROGRAM

<https://youtu.be/UPuYyvrUel4?si=5sm07gbqIk7d4Llk&t=8756>

Public Works Director Kwolek presented the report and responded to Committee Member inquires.

Public Comment:

None.

Following discussion, Chair Peck recommended and received a consensus to continue the item to a future meeting to allow for a more in-depth review. He requested that staff provide a detailed analysis of cash flow, reserve requirements versus excess funds available for other projects, and overall funding considerations.

This item was continued to the May 20, 2025 meeting.

B-3 FISCAL YEAR 2024-25 MIDYEAR REPORT

<https://youtu.be/UPuYyvrUel4?feature=shared&t=5204>

Administrative Programs Manager Green presented the report and responded to Committee Member inquires.

Public comment:

None.

MOTION: Vice-Chair Woody moved to approve the Midyear Budget Report for FY 2024-25 with the exception of the proposed \$10,000 increase in Measure Q/E funding for the part-time Harbor Patrol services. The motion was seconded by Member Dorfman and carried 5-0.

B-4 CITY COUNCIL GOALS AND OBJECTIVES UPDATE, AND RECIEPT OF CFAC INPUT FOR THE UPCOMING GOALS AND OBJECTIVES SETTING PROCESS

<https://youtu.be/UPuYyvrUel4?feature=shared&t=6576>

City Manager Kimball presented the report and responded to Committee Member inquires.

Public comment:

None.

The Committee offered individual comments.

The Committee did not take any formal action on this item.

C. FUTURE AGENDA ITEMS

<https://youtu.be/UPuYyvrUel4?feature=shared&t=9639>

1. Proposed Budget presentation by City Staff
2. Continued Discussion of SRF Financing from Item B-2
3. Continued Discussion of Revenue Stream

D. SCHEDULE NEXT MEETING

The next regularly scheduled Citizen's Oversight/Finance Committee meeting will be August 19, 2025 at 3:00 pm.

E. ADJOURNMENT

The meeting was adjourned at 5:46pm.

Recorded by:

Sara Pruitt

Fiscal Analyst