



MINUTES FINANCE COMMISSION

Wednesday, January 23, 2019 - 5:00 P.M.
City of Huntington Beach
Civic Center – Fourth Floor Conference Room #2
2000 Main Street
Huntington Beach, CA 92648-2702

Vice Chair Sterud called the meeting to order at 5:00 p.m. and Commissioner Bunten led the Pledge of Allegiance.

MEMBERS PRESENT: Sterud; Bunten; Romero; Van Der Mark; Lo Grasso; Hudson

MEMBERS ABSENT: None

STAFF PRESENT: Gilbert Garcia, Chief Financial Officer
Robert Handy, Police Chief
Kristin Miller, Police Administrative Division Services Manager
Carol Molina-Espinoza, Finance Manager - Budget
Paulina Flores, Senior Financial Analyst - Budget
Tam Ho, Senior Financial Analyst - Budget
Thuy Vi, Administrative Assistant, Finance
Linda Wine, Administrative Assistant, Finance

ORAL COMMUNICATIONS – None

ELECTION OF CHAIR AND VICE CHAIR

Motion: Moved by Lo Grasso and seconded by Bunten to nominate Ron Sterud as Commission Chair.

Ayes: Sterud, Bunten; Romero; Van Der Mark; Lo Grasso; Hudson

Noes: None

Approved: 6-0

Motion: Moved by Sterud and seconded by Bunten to nominate Lo Grasso as Commission Vice Chair.

Ayes: Sterud, Bunten; Romero; Van Der Mark; Lo Grasso; Hudson

Noes: None

Approved: 6-0

DISTRIBUTION OF FINANCE COMMISSION PARKING PASSES

Staff distributed the Parking Passes to the Finance Commission.

INTRODUCTION OF NEW COMMISSIONER

Chair Sterud and the Finance Commission welcomed their newest member, Jay Hudson.

MINUTES

Motion: Moved by Bunten and seconded by Romero to approve the Finance Commission Meeting Minutes dated November 14, 2018, as presented

Ayes: Bunten; Romero; Van Der Mark; Lo Grasso; Hudson

Noes: None

Abstain: Sterud

Approved: 5-0-1 (Sterud-Abstain)

DIRECTOR UPDATE – None

PRESENTATION – Gilbert Garcia, Chief Financial Officer, provided the Finance Commission with a recap of the Master Fee Schedule approved by the City Council on December 18, 2018. Garcia clarified what the Finance Commission reviewed and what was presented to the City Council, and noted that no new fees were added and that some fees were reduced.

Police Chief Handy discussed the False Alarm Program (FARP) with the Finance Commission. Handy noted that the Police Department proposed changes to the program to the City Council at a study session in December 2018, received positive feedback, and is scheduled to return to Council on February 4, 2019. The two most important objectives of the program are to reduce officer response to false alarms which will allow for more efficient use of officer time, and to improve cost recovery. The program requires change to the Municipal Code, change to the Alarm Ordinance, and requires contracting with the vendor.

Chief Handy introduced Kristin Miller, Police Administrative Division Services Manager, who gave a presentation on the FARP. Milller noted that the intention of the Police Department is to enter into partnership to deploy a robust false alarm reduction program that would encourage compliance by residents and businesses to obtain permits, maintenance of alarm systems, education programs on alarm use, and improve cost recovery and decrease inefficient use of staff and resources.

The Police Department proposed that the City enter into contract with PM AM Corporation, who offers comprehensive alarm administration and collection services. PM AM assumes responsibility for FARP with goals to increase permit compliance, reduce false alarms and implement effective cost recovery. Handy and Miller also presented the proposed fees and fines that would be incorporated in the Citywide Master Fee and Charges Schedule, and recommended that the City contract with vendor PM AM Corporation for the administration of the FARP.

Sterud suggested sending an interoffice memo to the Mayor and City Council noting that the Finance Commission has reviewed and supports the City entering into a contract with PM AM Corporation for the administration of the False Alarm Reduction Program, and that the Finance Commission also supports the proposed fees and fines that would be incorporated in the Citywide Master Fee and Charges Schedule.

Motion: Moved by Sterud and seconded by Lo Grasso for the Finance Commission to issue a memo to the Mayor and City Council members in support of the FARP and fees

Ayes: Sterud; Bunten; Van Der Mark; Lo Grasso; Hudson

Noes: None

Abstain: Romero

Approved: 5-0-1 (Romero-Abstain)

DISCUSSION ITEMS AND POTENTIAL RECOMMENDATIONS –

Mayor Erik Peterson thanked the Commissioners for serving on the Finance Commission and shared his vision for the Finance Commission. Peterson asked the Commission to look at each City department's costs, and to provide the City Council with a report and overview of each Department's budget and spending.

The Mayor discussed transferring the responsibilities of the Investment Advisory Board to the Finance Commission to reduce board, commission and staff time.

Chair Sterud requested to meet with the Information Services Director at the next Finance Commission meeting, to have the IS Director present to the Commission how the department will achieve the requested 1% savings, and to share what new technologies could be utilized and implemented to become more efficient from a budget standpoint.

Sterud also requested a discussion of the Community Development Department, and the potential outsourcing of Code Enforcement.

Sterud requested a future discussion on program budgeting to help determine what existing programs are not being utilized, and that could be potentially reduced or cut in order to save money.

Lo Grasso suggested, and Sterud supported, a subcommittee to meet with City departments and report back to the Finance Commission.

Commissioner Hudson requested a future discussion with the Public Works Department as to how they prioritize their projects.

COMMISSIONER COMMENTS –

The Finance Commission expressed their excitement and eagerness to take on more responsibility, and to fulfill the Mayor's vision for the Commission.

ADJOURNMENT

There being no further business, the meeting adjourned at 6:42 p.m.

Submitted by:

Gilbert Garcia, Chief Financial Officer

By: Linda Wine, Administrative Assistant, Finance Department