

**CITY OF NEWPORT BEACH  
FINANCE COMMITTEE  
APRIL 10, 2025 MEETING MINUTES**

**I. CALL MEETING TO ORDER**

Mayor Joe Stapleton called the meeting to order at 3:00 p.m. in the Civic Center Community Room, 100 Civic Center Drive, Newport Beach, California 92660.

**II. ROLL CALL**

**PRESENT:** Mayor/Chair Joe Stapleton, Councilmember Robyn Grant, Councilmember Sara Weber, Committee Member Allen Cashion, Committee Member William Collopy, Committee Member William Kenney, Committee Member Kory Kramer

**ABSENT:** None

**STAFF PRESENT:** City Manager Grace K. Leung, Finance Director/Treasurer Jason Al-Imam, Deputy Finance Director Shelby Burguan, Assistant Management Analyst Vicky Nguyen, Finance Manager Jessica Nguyen, Budget Analyst Abigail Marin, Budget Analyst Anthony Alannouf, Purchasing and Contracts Administrator Jennifer Anderson, City Attorney Aaron Harp, Assistant City Attorney Yolanda Summerhill, Systems and Administration Manager Dan Campagnolo, Administrative Manager Raymund Reyes, Assistant Management Analyst Lili Banuelos, Fire Chief Jeff Boyles, Assistant Fire Chief Justin Carr, EMS Division Chief Kristin Thompson, Fire Marshal James Gillespie, Harbormaster Paul Blank, Human Resources Manager Sarah Rodriguez, IT Manager Avery Maglinti, Police Support Services Administrator Jonathan Stafford, Fiscal Services/Facilities Manager (PD) Jennifer Manzella, Senior Management Analyst Trevor Smouse, Deputy Public Works Director/City Engineer Jim Houlihan, Recreation & Senior Services Director Sean Levin, Utilities Director Mark Vukojevic, Management Fellow Sabrina Mesropian

**OTHER ENTITIES:** None

**MEMBERS OF THE PUBLIC:** Jim Mosher, Nancy Scarbrough, Laura Curran

**III. PLEDGE OF ALLEGIANCE**

Fire Chief Jeff Boyles led the Pledge of Allegiance

**IV. PUBLIC COMMENTS**

Chair Stapleton opened public comments. Hearing none, Chair Stapleton closed public comments.

**V. CONSENT CALENDAR**

**A. MINUTES OF MARCH 13, 2025**

**Recommended Action:**  
Approve and file.

**MOTION:** Committee Member Collopy moved to approve the minutes of March 13, 2025, as amended, seconded by Committee Member Cashion. The motion carried as follows:

AYES: Cashion, Collopy, Kenney, Kramer, Grant, Weber, Stapleton  
NOES: None  
ABSTAIN: None  
ABSENT: None

## VI. CURRENT BUSINESS

### A. PROPOSED FY 2025-26 BUDGET OVERVIEW OF EXPENDITURES

**Recommended Action:**

Receive and file.

Budget Manager Jessica Nguyen provided an outline for the discussion which included a brief overview of the budget development process, a recap of the current year's budget, and a detailed look at the proposed FY 2025–2026 budget. She referenced the City's budget priorities which include delivering high-quality services, maintaining safety and neighborhood security, preserving the City's appearance, and ensuring long-term fiscal sustainability. She noted that other priorities included reducing long-term liabilities, adequately funding infrastructure maintenance and replacement, and addressing City Council goals from the February 1 planning session.

Budget Manager Nguyen provided a brief overview of the budget process timeline. She explained that the budget process begins shortly after the previous budget is adopted and involves extensive coordination across all departments. She advised that April is the month that the Finance Committee reviews the budget. She reported that public engagement was encouraged throughout the process, with four upcoming meetings scheduled before the planned budget adoption on June 10. She noted a correction that the early look at the Capital Improvement Program (CIP) budget was presented to the City Council on March 11, not March 25.

Budget Manager Nguyen recapped the second quarter General Fund update that was presented in March. She noted that despite sales tax underperforming initial projections, General Fund revenues were \$8.1 million (2.58%) higher than the adopted budget of \$315.3 million. She advised that this was largely due to a \$3.3 million increase in property tax revenue and \$4.8 million from other sources, including intergovernmental revenues, service fees, other taxes, and miscellaneous revenues.

Budget Manager Nguyen reported that projected General Fund expenditures for Q2 were expected to result in \$5.6 million in savings, primarily due to vacancy savings. She noted that the revised budget included supplemental appropriations, including \$5 million allocated toward unfunded pension liabilities. She also advised that a \$17.5 million surplus was projected for Q2 and was expected to increase by year-end. She announced that staff would present the Q3 budget update at the second meeting in May.

Budget Manager Nguyen reported that the year-end surplus would typically fund increases to the contingency reserve and with the balance utilized in accordance with Council Policy F-5.

Committee Member Collopy noted that Council Policy F-5 requires 50% of the year-end surplus to be used for addressing long-term debt, such as unfunded pension liabilities, and the remaining 50% to be allocated toward infrastructure or neighborhood capital improvements. He added that the City Council retains the discretion to override this policy, as it did in the previous year.

Budget Manager Nguyen then shifted to the FY 2025–26 all-funds budget overview.

Committee Member Collopy inquired if anything changed in the CIP budget from the City Council from the March 25th meeting.

Finance Director/Treasurer Al-Imam noted that what was presented to the City Council was reflected in the proposed budget.

Budget Manager Nguyen reported that the total proposed budget was \$516.2 million, a 4.3% increase. She explained that the operating budget was proposed to grow by 1.4%, driven by a 2% cost-of-living adjustment (COLA) for personnel related expenditures, program enhancements, and increases to Internal Service Fund (ISF) charges. She advised that transfers were up 6.1% due to greater contributions to the Facilities Financial Plan fund, various CIP funds as well as the Water Fund. She reported that CIP appropriations rose by 21.6%, with major projects including the Water Wells Pipeline Project, the Balboa Library, Fire Station No. 1 replacement, and the Facilities Maintenance Master Plan.

Finance Director/Treasurer Al-Imam emphasized that the 2% COLA was a placeholder, as many labor contracts were expiring and negotiations were underway.

Budget Manager Nguyen presented seven years of actual operating expenditures and transfers.

Committee Member Collopy questioned why adopted budgets were shown in previous slides instead of actuals. Finance Director/Treasurer Al-Imam explained that adopted budgets offer a consistent baseline for comparison since actual expenditures are net of budget savings.

Committee Member Cashion noted that budgeting assumes full employment, which can differ significantly from actuals.

Budget Manager Nguyen reported that the General Fund remains the largest share of the City's operating expenditure budget, comprising over 70%, with the Water, Wastewater, and Tidelands funds making up 15.5%, and all other funds comprising 13.8%. She noted that these include ISF funds like workers' compensation, general liability, and equipment maintenance.

Committee Member Kenney asked whether contributions to CalPERS are included in the "Other Funds" category. Finance Director/Treasurer Al-Imam explained that pension costs are primarily funded by the General Fund, although other funds—such as the Water and Wastewater Utility Funds—are allocated a proportionate share of pension-related costs.

Budget Manager Nguyen reported that the total proposed operating budget, including transfers for all funds, is \$450.1 million, which constitutes a 2.2% increase from last year's adopted budget. She advised that the General Fund budget was proposed at \$318.4 million, a 2.3% increase. She reported that the Tidelands Fund increased by 4.9%, driven by cost allocation updates. She reported that the Water Fund increased by 25.1% due to a significant capital transfer.

Budget Manager Nguyen reported that approximately 75% of General Fund revenues are derived from the three main revenue sources which include property tax at 48%, sales tax at 14%, and TOT at 10%. She advised that other sources include fees, transfers, and miscellaneous revenues. She explained that other taxes consist of utility franchise taxes, business license taxes, etc.

Committee Member Collopy inquired if this was gross TOT. Finance Director/Treasurer Al-Imam clarified that this was net TOT.

Committee Member Collopy emphasized that gross TOT should be reflected with a footnote for net TOT.

Finance Director/Treasurer Al-Imam agreed to annotate future presentations with gross TOT and net TOT.

Budget Manager Nguyen reported that General Fund revenues were projected at \$332.5 million, 2.8% above the current year.

Budget Manager Nguyen reported that the total projected General Fund revenue for this year is \$332.5 million which is 2.8% higher than our current year-end projection for FY 24/25. She noted that the primary drivers of growth are in property tax, as well as a projected rebound in sales tax after the decline seen in prior periods. She advised that staff has projected a 4.9% increase in property tax revenue and a 4% increase for TOT.

Finance Director/Treasurer Al-Imam highlighted the change to sales tax revenue from last month when staff presented to the committee. He advised that Sales tax projections were revised downward by \$1 million (now \$2.1 million or 4.7% growth) due to economic uncertainty and potential impacts of tariffs on sales tax revenue.

Committee Member Cashion inquired if that number included the new car dealership on Pacific Coast Highway. Finance Director/Treasurer Al-Imam confirmed that projected revenue included the forthcoming auto dealership opening on Pacific Coast Highway.

Committee Member Cashion inquired if TOT includes any new sources or if it simply increases from the prior year. Finance Director/Treasurer Al-Imam explained there is a bit of a boost because the City will no longer give Visit Newport Beach 18% of the short-term lodging TOT.

Committee Member Kenney inquired if a consultant was used to evaluate property tax. Finance Director/Treasurer Al-Imam confirmed that a consultant is used for property tax and sales tax.

Committee Member Kenney inquired if a consultant was used to evaluate TOT. Finance Director/Treasurer Al-Imam clarified that internal staff conducts the analysis for TOT.

Committee Member Kenney suggested developing best- and worst-case revenue scenarios, citing potential impacts such as a decline in Canadian tourism in the City of Palm Springs. Finance Director/Treasurer Al-Imam confirmed that, in accordance with council policy, conservative forecasting methods were already being used.

Budget Manager Nguyen reported that the proposed \$318.4 million expenditure budget represents a 2.3% increase over the current year's adopted budget and includes \$40 million toward the City's unfunded pension liability. She noted that there are \$1.5 million in General Fund program enhancement requests and presented a reconciliation of the factors contributing to the 2.3% budget growth.

Nguyen reported that a \$1.7 million decrease in internal service charges is primarily due to the full payoff of the OPEB liability for retiree medical benefits. She also noted that inflationary adjustments to maintenance and operating budgets account for just over \$2.5 million. Personnel costs are projected to increase modestly, reflecting a 2% cost-of-living adjustment and merit increases, partially offset by a decrease in the City's pension costs following the expected expiration of the temporary reduction in the employee pickup of pension contributions.

Budget Manager Nguyen also clarified that a one-time enhancement included in last year's budget has been removed, including the Police Department's ongoing costs for the Block ALPR (Automatic License Plate Reader) system. In addition, she reported a \$5.6 million increase in

transfers to various capital funds, which aligns with priorities previously discussed during the City Council planning session. She noted that the increase is partially offset by a reduction in base transfers for the Tidelands Capital, driven by a lower number of capital improvement projects scheduled for fiscal year 2026 compared to 2025.

Budget Manager Nguyen displayed the General Fund departmental budget comparison showed many departments decreasing year over year due to reduced OPEB payments. She noted that miscellaneous non-operating line items rose 13.5%, largely due to property insurance and broker fees.

Committee Member Collopy inquired about the OPEB pension liability. Budget Manager Nguyen clarified that while OPEB is fully funded, a minimum annual payment of approximately \$395,000 is still required.

Councilmember Weber inquired why expenditures were down. Budget Manager Nguyen explained that Police Department expenditures were down, primarily due to the OPEB reduction.

Committee Member Collopy inquired how much the City funded OPEB last year before it was fully funded. Budget Manager Nguyen believed it was approximately \$3 to \$4 million.

Committee Member Collopy remarked that there must be something else making the expenditures go down other than the City's obligation for OPEB.

Deputy Finance Director Shelby Burguan explained that CalPERS normal cost rates are also lower in next year's budget than they are this year.

Councilmember Weber inquired if the decrease also applied to the Fire Department. Budget Manager Nguyen reported that the Fire Department's increase was linked to a program enhancement already incorporated into the proposed budget.

Budget Manager Nguyen reported that transfers out of the General Fund increased by 10.1%, with a \$5.5 million increase to the Facilities Financial Plan (FFP) fund. She advised that the Harbor and Beaches Master Plan received an additional 2.5%. She noted that the Tidelands subsidy decreased by \$2.1 million due to fewer CIP projects. She advised that the total proposed General Fund transfers out is \$43.2 million.

Committee Member Cashion inquired about the change to the Tidelands Fund. Deputy Finance Director Burguan explained the change is due to less budgeted CIP projects.

Committee Member Kenney inquired if the cost is related to dredging. Budget Manager Nguyen confirmed that dredging costs are accounted for under the Harbor and Beaches CIP.

Committee Member Collopy inquired where the FFP transfer is going.

Finance Director/Treasurer Al-Imam explained that the additional transfer to the FFP Fund—above the minimum amount set at 3% of total General Fund revenues—would be deposited into the FFP Fund. However, it was noted that in order to spend these additional funds, the City Council would need to approve a supplemental appropriation.

Budget Manager Nguyen reported that General Fund internal service fund charges were down 5%, mainly due to the OPEB liability. However, insurance premiums, including workers' compensation and general liability, had increased. She noted that compensated absences also rose in proportion to full-time salaries.

Committee Member Collopy inquired if OPEB would remain fully funded amid recent market volatility. Finance Director/Treasurer Al-Imam explained that CalPERS investment returns were at 3% as of the previous day, with 40% invested in equities, 30% invested in fixed income, and 20% invested in private equity. He noted that the Public Agency Retirement Services (PARS) OPEB Trust has a more conservative investment strategy, which is normally expected to earn approximately 6.25%.

Committee Member Collopy recommended checking with the City's OPEB consultant regarding whether or not OPEB would remain fully funded amid recent market volatility.

Budget Manager Nguyen reviewed proposed program enhancements and staffing changes. She noted that several departments including the City Attorney's Office, Community Development Department, Information Technology Department, Finance Department, Fire Department, Harbor Department, Human Resources Department, Library Department, and the Police Department submitted requests for reclassifications, new positions, increased training and equipment, and enhanced service delivery.

Committee Member Cashion inquired about the lifeguard position and inquired if that was for one person. City Manager Grace Leung clarified that it is actually 3 positions that are going from part-time to full-time.

Committee Member Cashion inquired about the Library expansion. City Manager Leung reported that the Library lecture hall is expected to come online in early 2026. She explained that, in preparation, staff completed a reorganization within Public Works—specifically in facilities maintenance and support services—to include the lecture hall in that reconfiguration. She noted that facility support is being centralized under Public Works, while programming is being centralized under the Recreation Department, with corresponding staffing adjustments to support the new structure.

Committee Member Collopy remarked that this is part of the City Manager's proposed budget. He noted that department requests may have been modified during the budget development process. He inquired if the Human Resources includes funding for the internal audit consultant.

Finance Director/Treasurer Al-Imam confirmed that internal audit funding is included in the Finance Department's Budget. Committee Member Collopy noted that the internal audit function previously resided in Human Resources, but that structure was changed a few years ago.

Budget Manager Nguyen presented a variety of results of proposed program enhancements and staffing changes. She noted that in total, all of those enhancements are \$2.2 million with \$1.5 million dedicated to the General Fund. She advised that the proposed FY2025/26 budget includes a net increase of six full-time equivalent positions.

Committee Member Collopy referenced the full-time Lead Park Patrol Officer and inquired if the title was changing or if there was an increase or decrease in headcount.

Recreation and Senior Services Director Sean Levin clarified that they are both currently full-time positions that are being reclassified.

Budget Manager Nguyen noted that, if approved, the FY2025/26 budget will increase the City's total workforce to 927 total positions.

Committee Member Cashion inquired whether the City measures its employee headcount in comparison to other cities. Finance Director/Treasurer Al-Imam noted that making direct comparisons between cities is challenging. For example, he explained that while the City of Tustin has a similar nighttime population, Newport Beach experiences a significantly higher

daytime population due to tourism. He also noted that Newport Beach's budget is nearly three times larger than Tustin's, making a one-to-one comparison difficult.

Committee Member Cashion asked whether there is an opportunity to compare the City's staffing levels to those of other cities, if only at a glance, just to better understand how the City compares. He inquired if that type of data was readily available.

City Manager Leung noted that would be difficult since the City has its own Utilities and lifeguards.

Chair Stapleton remarked that the key question should be whether the City is efficient in providing services to residents given its current headcount. City Manager Leung noted that the City has been very careful in managing its staffing levels, thoroughly evaluating any requests to increase headcount.

Collopy Committee Member Collopy noted that the committee has asked this question in several forms over the years to identify benchmarking opportunities. He explained that meaningful comparisons need to be done by department, rather than by total City headcount. He cited, for example, fire departments should be compared to other fire departments, and police to police, given the wide range of operational differences across cities. He added that rather than focusing on total headcount, the emphasis has shifted to using performance indicators. He noted that both the Police and Fire Departments have developed strong metrics that help demonstrate efficiency such as response times, crime rates, and other service outcomes. He concluded that he has largely moved away from comparing total or departmental headcount and now prioritizes workload and efficiency indicators developed by the departments themselves.

City Manager Leung noted that service level expectations can vary significantly between cities. She shared that when she first arrived, she was surprised by the high level of responsiveness in some areas. For example, it is not uncommon to hear residents expect to be informed exactly when street sweeping will be coming by and even expect a knock on the door from staff to notify them directly. She confirmed that the City does meet those kinds of expectations, which reflects a unique level of service compared to other communities.

Chair Stapleton inquired about the breakdown of the head count. Budget Manager Nguyen clarified that the part-time count is 142 and the full-time count is 785.

Budget Manager Nguyen proceeded to review the department performance measures. She noted that all performance metrics for each department were included in the agenda materials for review. She emphasized that implementing performance measures is a valuable tool for departments to collect data on operational activities, progress toward goals, community conditions, and other environmental factors. She explained that this information helps departments gain a better understanding of their context and make more informed decisions.

Budget Manager Nguyen reported that departments were asked to identify relevant and meaningful data, such as accomplishments from the current fiscal year, budget highlights, goals and objectives for the upcoming fiscal year, and quantifiable performance metrics. She noted that this information can support internal discussions, encourage idea sharing that leads to operational improvements, and provide a basis for comparison against industry standards.

City Manager Leung noted that the performance measurement process is still relatively new with the City just completing its first full year of implementing these tools. She emphasized that it should be considered a living document.

Committee Member Collopy expressed hope that departments are using performance measures not only for external reporting to the Budget Committee or the public.

City Manager Leung explained that it can also be used for internal planning and resource allocation. She noted that performance measures should be fully integrated into conversations about budget and service levels.

Budget Manager Nguyen moved to General Fund reserves and surplus projections. She reported, that based on total projected revenues and proposed expenditures, the City anticipates a \$15.3 million surplus for the proposed FY2025/26 budget. She reiterated that the General Fund budget is balanced and includes increased contributions to various Capital Improvement Plan (CIP) funds to support long-term infrastructure needs. She noted that the proposed budget also maintains the \$40 million annual payment toward the unfunded accrued liability (UAL), with an additional \$5 million contribution from the year-end surplus.

Committee Member Collopy inquired whether a recommendation was being made for the use of the surplus.

Finance Director/Treasurer Al-Imam explained that, due to ongoing labor negotiations, the current budget includes a 2% placeholder for labor cost increases. He noted that actual costs are expected to exceed this amount. As a result, he recommended preserving as much of the surplus as possible to cover future obligations.

Budget Manager Nguyen summarized that the proposed General Fund budget is balanced, includes increased capital contributions, and sets aside the remaining \$15.3 million surplus for future consideration, subject to City Council direction.

Chair Stapleton opened public comments.

Laura Curran expressed appreciation for the headcount trend chart and pointed out that promises had been made regarding reduced staffing after the construction of the Civic Center building. She emphasized the need for transparency about long-term staffing trends and their financial impact.

Chair Stapleton closed public comments.

City Manager Leung remarked that there is another Finance Committee meeting that would take place on May 8, with the budget book provided a week prior.

Chair Stapleton received and filed the item.

**B. BUDGET AMENDMENTS FOR QUARTER ENDING MARCH 31, 2025**

**Recommended Action:**

Receive and file.

There were no questions regarding this item from the Committee or the public.

Chair Stapleton received and filed the item.

**C. WORK PLAN REVIEW**

**Recommended action:**

Receive and file.

Chair Stapleton announced that the next scheduled budget discussion would take place on May 8, followed by a joint meeting with the City Council on May 27. He invited committee members to attend that meeting. He also mentioned that a Finance Committee meeting would be held on May 29, during which the committee will be responsible for recommending that the City Council approve the proposed operating budget for Fiscal Year 2025-26.



Committee Member Collopy inquired about which departments would be selected for deep-dive reviews in the coming year. Chair Stapleton responded that he was there to guide the committee and was open to any suggestions from members who wished to conduct a deeper review of specific departments.

Committee Member Collopy expressed interest in doing a deep dive on the City Attorney's Office, noting that, in his experience, the legal department had always been an area of curiosity, despite its small size, which consists of approximately eight to nine staff members.

City Attorney Aaron Harp responded that such a review might not be appropriate for a public forum, given the confidential nature of much of the department's work and spending. He noted that the City Council is regularly briefed and satisfied with the expenditures but emphasized that public discussions about certain financial details may not be suitable.

Committee Member Collopy deferred the final decision to the City Manager.

Chair Stapleton requested a complete list of departments to consider for future deep dives. He noted that Recreation and Community Development appeared to be potentially suitable departments for a deep-dive review.

Finance Director/Treasurer Al-Imam drew the committee's attention to an item scheduled for the October agenda, which had been added at the committee's request during the previous meeting. He advised that a representative from HdL, the City's sales tax consultant, would attend to explain the nuances of sales tax allocation for non-traditional automobile dealerships, such as Tesla.

Committee Member Kenney inquired whether there had been any resolution regarding sales tax revenue from the Tesla dealership. Finance Director/Treasurer Al-Imam explained that the challenge stems from the fact that the State is responsible for regulating sales tax allocations and is not obligated to share detailed information with local agencies or the City's consultant. He explained that while companies sometimes voluntarily provide information, Tesla had not done so. He noted that despite this limitation, the City's consultant can make inferences by analyzing allocation data across the many agencies they support statewide.

Committee Member Kenney inquired if the City is receiving some revenue from Tesla. Finance Director/Treasurer Al-Imam confirmed the City is receiving revenue from Tesla.

Committee Member Kenney inquired who is responsible for the allocation of Sales Tax. Finance Director/Treasurer Al-Imam reported it is California Department of Tax and Fee Administration (CDTFA).

Committee Member Kenney inquired if the City will receive the sales tax revenue from the new dealership on Pacific Coast Highway. Finance Director/Treasurer Al-Imam explained that if a dealership is located within city limits and contracts, such as lease or purchase agreements, are executed on-site, then the City receives 1% of the sales price. He explained that Tesla's operations are more complex. He further explained that if a contract is signed at their Fashion Island showroom, the City may not receive the associated sales tax, depending on how the sale is categorized and whether inventory is stored on-site. He noted that the location of the contract signing and product delivery both factor into the State's determination of the allocation of sales tax.

City Manager Leung compared the situation to challenges experienced with online sales tax, where items ordered online but not physically exchanged within city limits may result in tax revenues being directed into a county pool rather than directly to the City.

Committee Member Kenney inquired whether the City could prohibit showroom-only dealerships through zoning or other policy tools, as they generate local economic activity without yielding local tax revenue.

Chair Stapleton recounted personal research into the Newport Auto Group and indicated that more would be learned following the October presentation. Sales tax revenue is a significant source of revenue for the City, and understanding how different dealerships—such as Fletcher Jones, Newport Lexus, Ferrari, Tesla, Lincoln, and Porsche—operate is critical. He concluded that some operate full-service dealerships while others are merely marketing showrooms.

Finance Director/Treasurer Al-Imam confirmed that the consultant presentation in October would include a detailed discussion rather than a general overview. He clarified that the City receives 1% of the transaction price from qualifying sales, within the broader statewide rate of 7.75%.

Finance Director/Treasurer Al-Imam inquired how much time should be allocated for the October consultant presentation. Chair Stapleton recommended approximately 30 minutes.

Chair Stapleton expressed appreciation for the hard work of staff.

Chair Stapleton opened public comments.

Jim Mosher raised a comment in response to a prior suggestion to include the City Attorney's Office in the department review schedule. He recalled that a former City Attorney once proposed that the City could save money by bringing litigation in-house rather than relying on external legal counsel. He noted that the proposal had included a staff report with detailed cost analysis and was publicly presented to the City Council. He argued that such a review could be conducted again without compromising confidentiality.

Laura Curran recommended that the City assess the legal department's impact on the overall budget and headcount allocation, especially given the City's recent growth and the addition of new departments like Harbor. She advocated for benchmarking Newport Beach's legal model against peer cities to identify best practices. She further noted that confidentiality concerns could be managed by involving auditors and legal staff appropriately, as there are methods for conducting confidential audits.

Chair Stapleton closed public comments.

Chair Stapleton received and filed the item.

## **VII. AJOURNMENT**

The Finance Committee adjourned at 4:03 p.m.

Attest:

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Joe Stapleton, Mayor/Chair  
Finance Committee

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Date