

**CITY OF NEWPORT BEACH  
FINANCE COMMITTEE  
JANUARY 15, 2026 MEETING MINUTES**

**I. CALL MEETING TO ORDER**

The meeting was called 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: Chair Stapleton, Councilmember Robyn Grant, Councilmember Sara Weber, Committee Member Cashion, Committee Member William Kenney, Committee Member Kramer

ABSENT: None

STAFF PRESENT: City Manager Seimone Jurjis, Administrative Services Director/Treasurer Jason Al-Imam, Acting Deputy Finance Director Trevor Power, Assistant Management Analyst Vicky Nguyen, Budget Manager Jessica Nguyen, Senior Budget Analyst Abigail Marin, Budget Analyst Courtney Buck, Budget Analyst Anthony Alannouf, Senior Accountant Jeremiah Lim, Purchasing and Contracts Administrator Jennifer Anderson, Senior Buyer Jackqueline Nguyen, Administrative Manager Raymund Reyes, Assistant Management Analyst Lili Banuelos, Fire Marshal James Gillespie, Administrative Assistant Tawny DeAnda, Management Fellow Alexandra Delmonico, Public Works Finance/Administrative Manager Theresa Schweitzer

OTHER ENTITIES: Genny Lynkiewicz, Chandler Asset Management  
Keith Stribling, Public Financial Management  
Dennis Yu, Public Agency Retirement Services

MEMBERS OF THE PUBLIC: George Lesley, Jim Mosher, Nancy Scarbrough

**III. PLEDGE OF ALLEGIANCE**

Administrative Services Director/Treasurer Jason Al-Imam led the Pledge of Allegiance

**IV. PUBLIC COMMENTS**

Chair Stapleton opened the public comments.

Jim Mosher thanked the Chair and committee members and expressed appreciation to the Finance Department staff for providing printed copies of the materials being discussed. He stated that the availability of printed materials is helpful for members of the public attending the meeting and noted that such materials are typically not available at City Council meetings. He advised committee members, particularly those not serving concurrently on the City Council, that the City Council recently adopted an ordinance reorganizing City departments. He stated that under the reorganization, the Finance Department will become a division within a new Administrative Services Department, Human Resources will be partially incorporated into that department, and the Risk Management function will move to the City Attorney's Office. He noted that this restructuring may affect how future budgets are organized and reviewed. He further stated that the City Council is considering suspending Finance Committee meetings and that, if this action occurs, the current meeting could be the committee's last. He also identified a minor correction to the meeting minutes

on page 5 of the agenda packet, noting that the minutes incorrectly refer to “Committee Kory Kramer,” which should instead read “Committee Member Kory Kramer.”

Nancy Scarbrough stated that a national policy concept being discussed involves reducing or eliminating property taxes for homeowners over age 65 who own their homes outright. She emphasized that the City’s revenue is largely driven by property taxes and expressed interest in understanding how such a change could affect City resources. She stated that approximately 25% of the City’s population is over age 65 and approximately 25% is under age 24, and that she expects these demographics to shift significantly over time. She recommended that the City monitor this issue moving forward and, if necessary, retain a consultant to quantify potential fiscal impacts. She expressed concern about the possible elimination of Finance Committee meetings, stating that she has attended meetings for many years and previously served on the committee. She stated that the committee provides significant value and enhances transparency. She suggested alternatives such as recording meetings and posting them on the City’s website to expand public access and participation. She urged the City to carefully consider the implications before making any final decision.

Chair Stapleton closed public comments.

There was no further discussion on the item.

**V. CONSENT CALENDAR**

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

**Recommended Action:**

Receive and file.

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

AYES: Collopy, Cashion, Kenney, Kramer, Weber, Grant, Stapleton

NOES: None

ABSENT: None

ABSTAIN: None

There was no further discussion on the item.

**VI. CURRENT BUSINESS**

**A. REVIEW OF INVESTMENT POLICY**

**Recommended action:**

Review and discuss this report and recommend that the City Council formally approve the proposed changes to Council Policy F-1 by adopting a resolution.

Administrative Services Director/Treasurer Jason Al-Imam introduced the agenda item and provided background on the City’s relationship with Chandler Asset Management. He explained that Chandler Asset Management previously presented to the committee in September regarding the City’s investment policy and portfolio performance, which prompted questions concerning the firm’s contract and role. He reported that the contract predates his tenure with the City and was executed following a competitive Request for Proposals (RFP). He noted that the contract became effective January 1, 2023, is a five-year agreement, and will expire in December 2027. He described the compensation structure, explaining that it includes six basis points on the first \$200 million under management and three basis points on amounts above that threshold. He clarified that funds held in Local Agency Investment Fund (LAIF) and California Asset Management Program (CAMP) are internally managed and do not incur

management fees, and that only assets overseen by Chandler Asset Management are subject to fees.

Administrative Services Director/Treasurer Al-Imam introduced Genny Lynkiewicz of Chandler Asset Management to present the proposed updates to the City's investment policy. He noted that the committee was previously briefed on the proposed changes in September and that staff waited for relevant legislative updates to be enacted and signed into law before returning with the item.

Ms. Lynkiewicz provided an overview of Chandler Asset Management, stating that the firm was founded in 1988 by Kate Chandler to specialize in investing for public agencies. She reported that approximately 88% of the firm's business serves public agencies and that assets under management total approximately \$45 billion. She identified several public agency clients located in Southern California. She reviewed the City's investment policy in comparison to California Government Code and explained that investment limitations for public agency operating funds were strengthened following the Great Financial Crisis. She emphasized that the regulations prioritize high-quality investments such as U.S. Treasuries and corporate bonds. She noted that corporate bonds are limited to a maximum of 30% of the portfolio and must carry a rating of single-A or higher.

Administrative Services Director/Treasurer Al-Imam clarified that while money market funds and mutual funds are allowable investments, their underlying holdings must comply with California Government Code requirements. He observed that some well-known mutual funds, such as Pacific Investment Management Company (PIMCO) do not meet those requirements.

Committee Member Collopy asked why the City's investment policy limits commercial paper maturity to 270 days when California Government Code allows maturities of up to 397 days, and inquired whether there is a material yield difference between the two maturities.

Ms. Lynkiewicz responded that recent legislative changes under Senate Bill (SB) 595 increased the allowable maturity to 397 days effective January 1, and explained that staff is recommending the City's policy be updated accordingly. She outlined additional recommended changes, including extending authorization for investment of up to 40% of the portfolio in commercial paper through 2031.

Ms. Lynkiewicz explained that other proposed changes include allowing the purchase of zero-interest or negative-yield government securities during negative interest rate environments.

Committee Member Kenney inquired about the difference in the yield between 270-day and 397-day commercial paper.

Ms. Lynkiewicz reported that the yield difference is approximately 10 to 20 basis points.

Committee Member Kenney requested clarification regarding differences in risk profile.

Ms. Lynkiewicz explained that longer maturities involve marginally higher risk but noted that commercial paper remains a short-term investment instrument. She advised that investments would continue to be limited to approved issuers and closely monitored.

Ms. Lynkiewicz reviewed proposed updates to glossary terms related to placement service deposits, additions of definitions for fiduciary and joint powers authority, and revisions replacing references to the Finance Director with Administrative Services Director, along with minor formatting updates.

Chair Stapleton opened public comments.

Mr. Mosher objected to replacing references to the Finance Director with Administrative Services Director, citing City Charter Section 605, which requires the appointment of a Finance Director to administer the City's financial affairs. He commented on the commercial paper provisions and recommended that policy language clearly describe permitted investment levels rather than relying solely on prohibitions. He expressed concern that conflicting limitations could create confusion. He questioned the inclusion of authority to invest in securities with zero or negative interest accrual, stating that such investments appear counterintuitive.

Chair Stapleton closed public comments.

Councilmember Grant commented on Mr. Mosher's remarks and suggested confirming with the City Attorney that the City Charter permits the referenced departmental name changes, noting that the changes appear administrative in nature and do not alter core duties.

Committee Member Kenney inquired whether the Administrative Services Director is also the City Manager.

Mr. Al-Imam confirmed that his Administrative Services Director full title is Administrative Services and Finance Director.

City Manager Seimone Jurgis clarified that the City Manager administers the policies and programs which is referred to as the City Administrator. He noted that from a department standpoint, Mr. Al-Imam is the Administrative Services and Finance Director and continues to be the City Treasurer in accordance with the Charter and remains responsible for the City's finances.

**MOTION:** Committee Member Collopy moved to recommend that the City Council formally approve the proposed changes to Council Policy F-1 by adopting a resolution, seconded by Committee Member Cashion. The motion carried as follows:

AYES: Cashion, Kenney, Kramer, Weber, Grant, Stapleton

NOES: None

ABSENT: None

ABSTAIN: None

There was no further discussion on the item.

## **B. OPEB ACTUARIAL VALUATION REPORT UPDATE**

### **Recommended action:**

Receive and file.

Budget Analyst Anthony (Tony) Alannouf explained that Other Postemployment Benefits (OPEB) generally fall into three categories. He described the first as a legacy defined benefit plan that applies to employees and retirees enrolled as of December 31, 2005, which is considered an OPEB liability because benefits are received in retirement. He explained that the second category is the CalPERS Minimum Required Contribution (MRC) under the Public Employees' Medical and Hospital Care Act (PEMCHA), which requires agencies contracting with CalPERS to contribute a minimum amount toward retiree health insurance. He reported that the MRC increased from \$158 per month in 2025 to \$162 per month in 2026 and noted that the legacy plan and MRC together represent the City's explicit OPEB liability. He explained that the third category is a Defined Contribution Retirement Health Savings Plan for employees hired after December 2005, under which the City's obligation ends once required contributions are made during employment.

Budget Analyst Alannouf explained that an additional implicit OPEB subsidy arises from the CalPERS community-rated health plan structure, where retirees pay the same premiums as active employees despite higher expected medical costs. He noted that accounting standards require the implicit subsidy to be included in the actuarial valuation, but clarified that the City's targeted funding levels are based on the explicit subsidy only, consistent with common practice. Committee Member Collopy asked whether the implicit subsidy would be limited to the value of an HMO plan if a retiree selected a PPO plan. Administrative Services Director/Treasurer Al-Imam explained that the implicit subsidy reflects the premium structure itself and clarified that retirees selecting more expensive plans must pay the difference beyond the City's capped benefits.

Administrative Services Director/Treasurer Al-Imam provided additional context regarding the establishment of a Section 115 OPEB trust, explaining that state investment restrictions generally limit cities to shorter-term investments and prohibit equities. He explained that establishing an Internal Revenue Code Section 115 trust allows broader investment options under an adopted investment policy.

Budget Analyst Alannouf reported that the City established a CalPERS-managed Section 115 OPEB trust (CERBT) approximately 17 years ago. He explained that following changes to the CERBT asset allocation in 2022 that reduced expected returns and increased volatility, staff evaluated alternatives and identified Public Agency Retirement Services (PARS), which manages pension and OPEB assets for approximately 500 public agencies. He reported that the Finance Committee supported establishing a PARS OPEB trust in January 2024 using a balanced investment strategy with an expected return of 6.74%, compared with approximately 6.1% under CERBT. He reported that the City Council approved the transition in March 2024 and assets were transferred in May 2024.

Budget Analyst Alannouf reported that as of June 30, 2025, OPEB trust assets exceeded \$48 million compared to an explicit liability of \$37.6 million, resulting in a funded ratio of 128%. He reported that approximately \$20 million of the trust balance represents investment earnings and that the PARS trust achieved a 10.71% return in fiscal year 2025 with an annualized net return of 11.56% since the transfer.

Committee Member Collopy asked what the outcome may have been if the City had remained with CERBT. Administrative Services Director/Treasurer Al-Imam responded that returns would likely have been lower due to CERBT's more limited investment options. Committee Member Kenney asked whether CERBT could invest in equities. Administrative Services Director/Treasurer Al-Imam confirmed that it can but explained that investment options are more limited.

Dennis Yu, Executive Vice President with PARS, explained that PARS has provided retirement plan services to public agencies for more than 40 years and has worked with the City for over 30 years administering multiple retirement plans. He stated that the transfer to PARS provided the City greater investment and administrative flexibility and noted that assets are held at U.S. Bank and managed by PFM Asset Management. He explained that the City retains discretion over investment strategy and that the program may also support funding of pension liabilities within the same trust structure subject to legal requirements.

Committee Member Collopy noted that the OPEB trust currently has a surplus of approximately \$10.6 million and asked how staff intends to use the excess funds. Administrative Services Director/Treasurer Al-Imam explained that the OPEB trust is irrevocable and funds may only be used to reimburse the City for qualifying OPEB expenditures. He noted that these reimbursements free General Fund resources that could be redirected to other priorities such as establishing a pension trust.

Mr. Yu confirmed that reimbursements are limited to actual OPEB expenditures and reported that approximately \$8 million in eligible costs had been identified over the past two years. Administrative Services Director/Treasurer Al-Imam stated that the City currently draws approximately \$3 million annually from the trust and that up to an additional \$5 million may be reimbursed.

Chair Stapleton asked whether reaching 100% funding could create concern if market conditions decline in the future, potentially reducing the funding level below full funding. Administrative Services Director/Treasurer Al-Imam responded that maintaining a modest level of overfunding can provide stability against market volatility but cautioned that excessive overfunding may result in assets being unnecessarily restricted within the trust. Keith Stribling of Public Financial Management added that maintaining approximately 90% funding can provide flexibility to contribute additional funds later if needed.

Committee Member Collopy asked about the one-year reporting delay in the valuation data. Administrative Services Director/Treasurer Al-Imam explained that Governmental Accounting Standards Board reporting requirements include a one-year actuarial lag and clarified that the figures presented reflect the most current available data as of June 30, 2025.

Mr. Stribling reported that the portfolio gained an additional 7% in the final six months of the year, resulting in a 13.6% return for calendar year 2025 and increasing total assets to approximately \$52 million.

Chair Stapleton discussed the potential use of excess assets and noted that while the OPEB trust is fully funded, the City's pension system remains approximately 82% funded. He suggested that reimbursements from the OPEB trust could help support establishment of a Section 115 pension trust.

Committee Member Kenney asked whether the City is required to make annual contributions to the PARS trust. Administrative Services Director/Treasurer Al-Imam confirmed that no annual contribution requirement exists.

Chair Stapleton asked about the timeline for discussing potential use of the funds. Administrative Services Director/Treasurer Al-Imam stated that policy discussions are expected at a City Council study session scheduled for January 27.

Budget Analyst Alannouf reported that the City's OPEB liability is fully funded and that this funding status has generated approximately \$4 million in annual savings beginning in the prior fiscal year.

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

Chair Stapleton received and filed the item.

There was no further discussion on the item.

**C. GENERAL FUND AND TIDELANDS FUND LONG RANGE FINANCIAL FORECAST UPDATE**

**Recommended action:**

Receive and file.

Budget Manager Jessica Nguyen presented the General Fund and Tidelands Fund Long-Range Financial Forecast (LRFF) covering Fiscal Years 2027 through 2046 and explained that the LRFF serves as a strategic planning tool to evaluate the City's long-term fiscal capacity based on projected revenues and financial obligations. She described the three-step process used to prepare the forecast: establishing baseline revenue and expenditure growth using

historical trends and external data; adjusting line items that do not follow typical growth patterns, such as pension payments, interest income, ground lease revenue, and master financing plan transfers; and maintaining flexibility within the model to evaluate alternative scenarios and fiscal impacts.

Budget Manager Nguyen stated that the forecast uses the Fiscal Year 2026 adopted budget as the baseline and incorporates the amended personnel budget to reflect recently approved Memoranda of Understanding. She explained that projected surpluses reflect the difference between revenues and expenditures and do not assume additional savings or new revenues beyond those included in the adopted budget.

Budget Manager Nguyen reviewed revenue assumptions, reporting that property tax revenue is projected to increase by 4.5% in Fiscal Year 2027, with long-term growth estimated at 3% to 4% annually. She stated that sales tax revenue is projected to increase by 3% in Fiscal Year 2026 and 5.2% in Fiscal Year 2027, with average annual growth of 2.6% thereafter. She also reported that transient occupancy tax, which represents nearly 10% of General Fund revenues, is projected to decline by 4.3% in Fiscal Year 2027 before increasing at an average annual rate of 2.9%.

Committee Member Collopy asked about the projected decline in transient occupancy tax revenue. Budget Manager Nguyen explained that the decline is primarily attributable to reduced international travel. Committee Member Kramer noted that COVID-related impacts and major hotel renovations, including repositioning of the Pelican Hill Resort, are also expected to affect Fiscal Year 2027 revenues. Chair Stapleton asked whether the Pelican Hill project had been delayed. Committee Member Kramer confirmed that the project is delayed.

Budget Manager Nguyen reviewed other revenues, including service fees, fines, property income, transfers, and miscellaneous revenues, which represent approximately 8% of total revenues and are projected to grow at an average annual rate of 3%. Committee Member Cashion asked whether revenue assumptions were developed internally or with external consultants. Administrative Services Director/Treasurer Al-Imam responded that HdL Companies provides property tax and sales tax projections while most other revenue assumptions are developed internally with consultant support.

Budget Manager Nguyen reviewed expenditure assumptions, explaining that salaries and benefits for Fiscal Years 2027 and 2028 are based on the amounts reflected in the approved Memorandums of Understanding (MOUs), and that a 2% annual growth rate is projected in the outer years with no staffing increases. She reported that the forecast assumes an annual pension contribution of \$40 million, with \$37 million funded by the General Fund, and that the pension liability is projected to be fully paid off by Fiscal Year 2033 under current assumptions.

Committee Member Kramer asked whether the City Manager is projecting revenue from future development. City Manager Jurjis stated that potential revenues from development agreements, property tax increases, and permit fees are not incorporated into the current budget and are being evaluated as part of the next fiscal year's budget.

Budget Manager Nguyen reported that non-personnel costs are projected to grow at an average annual rate of 5.2%, with higher growth in Fiscal Year 2027 reflecting increased refuse contract costs. She explained that the Tidelands Fund forecast uses the same methodology as the General Fund and reported that the Tidelands Fund transfers approximately \$20 million annually to the General Fund for services in the Tidelands area.

Chair Stapleton asked about the harbor's annual deficit. Administrative Services Director/Treasurer Al-Imam reported that the harbor operates at an annual deficit of approximately \$10 million because Tidelands revenues, including lease revenue, do not fully offset expenditures related to public safety and harbor services.

Budget Manager Nguyen reported that development of the Fiscal Year 2027 budget is underway and that a preliminary General Fund surplus of \$5.8 million is projected, excluding departmental program enhancement requests. She stated that the forecast shows the General Fund remaining financially stable over the 20-year period with ongoing surpluses and no structural deficit.

Committee Member Collopy emphasized the importance of maintaining the model as a dynamic budgeting tool. Administrative Services Director/Treasurer Al-Imam added that the LRFF allows staff to test alternative assumptions, including recession scenarios and revenue fluctuations.

Chair Stapleton opened public comments.

George Lesley asked whether property tax projections include revenue from new housing development. Administrative Services Director/Treasurer Al-Imam responded that projections include only properties currently on the tax roll and do not assume future development-related revenues.

Mr. Mosher commented on uncertainty regarding future Tidelands Fund revenues, including harbor lease and mooring rate policies and State Lands Commission findings, and asked how staff is addressing these uncertainties. Administrative Services Director/Treasurer Al-Imam responded that assumptions remain conservative and reflect existing policies, noting that future revenue increases would improve the forecast.

Chair Stapleton closed public comments.

Chair Stapleton received and filed the item.

There was no further discussion on the item.

**D. BUDGET AMENDMENTS FOR QUARTER ENDING DECEMBER 31, 2025**

**Recommended action:**

Receive and file.

Chair Stapleton asked whether there were any questions regarding the budget amendments.

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

Chair Stapleton received and filed the item.

There was no further discussion on the item.

**E. INTERNAL AUDIT PROGRAM UPDATE**

**Recommended action:**

Receive and file.

Administrative Services Director/Treasurer Al-Imam presented an update on the City's Internal Audit Program. He reported that in March 2025 staff completed an enterprise risk assessment evaluating internal control risks across City operations, which identified twelve focus areas used to develop a multi-year internal audit work plan. He noted that three focus areas were audited in fall 2025 and completed, with the remaining nine scheduled for review in future years. Administrative Services Director/Treasurer Al-Imam explained that one completed audit examined long-term funding strategies and cost recovery practices. He reported that the City retained Eide Bailey, one of two internal audit firms approved by the City Council, to conduct

the review. He stated that the audit recommended presenting the full 40-year Facilities Financing Plan to support long-term financial planning, noting that staff typically presents only the first five years due to the more immediate planning horizon. He added that the audit also recommended more frequent reviews of equipment maintenance rates to ensure they reflect actual operating costs and remain equitable across departments.

Administrative Services Director/Treasurer Al-Imam reported that the second completed audit reviewed the City's Risk Management Program. He explained that Eide Bailey evaluated claim handling practices, insurance coverage and renewals, reserve adequacy, and related procedures. He noted that several findings were addressed through subsequent organizational changes, including transferring the risk management function from Human Resources to the City Attorney's Office. He explained that the City Attorney now serves as the Risk Manager, clarifying responsibilities identified in the audit. He added that the audit also recommended further review of factors contributing to rising general liability claim costs.

Administrative Services Director/Treasurer Al-Imam reported that the third completed audit addressed grant management. He explained that The Pun Group reviewed grant-related policies, procedures, and systems, including reimbursement and expenditure tracking. He stated that because the City's grant management process is decentralized, with departments administering their own grants, the audit recommended periodic Citywide training to strengthen consistency and internal controls. He noted that staff plans to coordinate a comprehensive internal training program.

Committee Member Collopy inquired who would conduct the training. Administrative Services Director/Treasurer Al-Imam responded that the training may be conducted by City staff or in coordination with external auditors.

Councilmember Grant asked whether the City has conducted audits related to grants awarded by the City rather than grants received. Administrative Services Director/Treasurer Al-Imam responded that such audits have not been conducted within the past three years but may have occurred earlier and acknowledged the question as a valid consideration.

Councilmember Grant commented that based on her experience serving on City boards and commissions over the past 15 to 20 years, grant awarding has remained decentralized across several departments and commissions. She expressed interest in staff reviewing whether duplicative grant programs exist or whether multiple entities may be pursuing similar funding sources.

Committee Member Kenney asked whether the City has studied the feasibility of a centralized grant-writing function. Administrative Services Director/Treasurer Al-Imam responded that the City is currently working with a consultant to pursue specific grant opportunities.

Chair Stapleton opened public comments.

Mr. Mosher asked whether more detailed internal audit reports exist beyond the summaries presented. Administrative Services Director/Treasurer Al-Imam responded that Eide Bailey produces detailed reports describing audit scope, testing, and findings, while The Pun Group report consists of the summary provided.

Mr. Mosher commented on several audit recommendations, questioning the value of including a 40-year facilities financing analysis given the City's shorter General Plan planning horizon. He also expressed concern about promptly referring delinquent damage recovery claims to collection agencies and about consolidating risk management responsibilities within the City Attorney's Office. He recommended that the annual claims report provided to the City Manager also be presented to the City Council to improve transparency. He further commented on grant

policy considerations, referencing examples of nonprofits and departments obtaining grant funding that benefits the City.

Mr. Lesley asked whether internal audit review areas include payroll and disbursements and whether those areas are planned for future review. Administrative Services Director/Treasurer Al-Imam responded that payroll and disbursement audits were conducted within the past 12 to 24 months and are scheduled for future audit cycles.

Mr. Lesley commented on potential payroll and disbursement risks, including fictitious employees or vendors, and asked whether controls exist to address those risks. Administrative Services Director/Treasurer Al-Imam explained that segregation of duties between Human Resources and payroll functions serves as a key internal control.

Chair Stapleton closed public comments.

Chair Stapleton received and filed the item.

There was no further discussion on the item.

**F. WORK PLAN REVIEW**

**Recommended action:**

Receive and file.

Chair Stapleton explained that, as previously discussed, the Finance Committee may or may not continue to meet, depending on action to be taken by the City Council. He indicated that the matter would be considered at the City Council meeting scheduled for January 27, at which time the City Council would determine how to proceed. He reported that the next regularly scheduled Finance Committee meeting was tentatively set for February 12 but noted that no calendar invitations had been issued. He advised that it may be appropriate to place the meeting on calendars for the time being, with the understanding that members would be notified if the committee were suspended. He explained that if the Finance Committee were suspended, committee members would receive communication from staff regarding that decision.

Regarding the committee termination process, Chair Stapleton explained that a resolution would be presented to the City Council at the January 27 meeting which would ask the City Council whether it wished to suspend the Finance Committee based on the information previously presented. He further explained that if a majority of the City Council votes in favor of suspension, the Finance Committee would be suspended until further notice.

City Manager Jurjis noted that an ad hoc committee would then be created to determine whether the Finance Committee should continue, be modified, or be reinstated in a different form.

Chair Stapleton observed that the City Council currently has several significant topics on its agenda and commented that attendance by committee members would be beneficial, particularly for further discussion of OPEB matters.

Chair Stapleton received and filed the item.

There was no further discussion on the item.

**VII. AJOURNMENT**

The Finance Committee adjourned at 4:26 p.m.

Attest:

\_\_\_\_\_  
Joe Stapleton, Chair  
Finance Committee

\_\_\_\_\_  
Date

DRAFT