



CITY OF NEWPORT BEACH FINANCE COMMITTEE AGENDA - Final

100 Civic Center Drive - Crystal Cove Conference Room, Bay 2D

Thursday, October 10, 2019 - 3:00 PM

Finance Committee Members:

Will O'Neill, Chair / Mayor Pro Tem
Diane Dixon, Mayor
Joy Brenner, Council Member
William Collopy, Committee Member
John Reed, Committee Member
Joe Stapleton, Committee Member
Larry Tucker, Committee Member

Staff Members:

Grace K. Leung, City Manager
Dan Matusiewicz, Finance Director / Treasurer
Steve Montano, Deputy Director, Finance
Marlene Burns, Administrative Specialist to the Finance Director

The Finance Committee meeting is subject to the Ralph M. Brown Act. Among other things, the Brown Act requires that the Finance Committee agenda be posted at least seventy-two (72) hours in advance of each regular meeting and that the public be allowed to comment on agenda items before the Committee and items not on the agenda but are within the subject matter jurisdiction of the Finance Committee. The Chair may limit public comments to a reasonable amount of time, generally three (3) minutes per person.

The City of Newport Beach's goal is to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or a participant at this meeting, you will need special assistance beyond what is normally provided, we will attempt to accommodate you in every reasonable manner. Please contact Dan Matusiewicz, Finance Director, at least forty-eight (48) hours prior to the meeting to inform us of your particular needs and to determine if accommodation is feasible at (949) 644-3123 or dmatusiewicz@newportbeachca.gov.

NOTICE REGARDING PRESENTATIONS REQUIRING USE OF CITY EQUIPMENT

Any presentation requiring the use of the City of Newport Beach's equipment must be submitted to the Finance Department 24 hours prior to the scheduled meeting.

- I. **CALL MEETING TO ORDER**
- II. **ROLL CALL**
- III. **PUBLIC COMMENTS ON CONSENT CALENDAR**

Public comments are invited on agenda and non-agenda items generally considered to be within the subject matter jurisdiction of the Finance Committee. Speakers must limit comments to three (3) minutes. Before speaking, we invite, but do not require, you to state your name for the record. The Finance Committee has the discretion to extend or shorten the speakers' time limit on agenda or non-agenda items, provided the time limit adjustment is applied equally to all speakers. As a courtesy, please turn cell phones off or set them in the silent mode

- IV. **CONSENT CALENDAR**

A. MINUTES OF JUNE 27, 2019

Recommended Action:

Approve and file.

[DRAFT MINUTES 062719](#)

V. CURRENT BUSINESS

A. USE OF CITY PROPERTY AT LESS THAN FAIR MARKET VALUE

Summary:

At the March 14, 2019, Finance Committee meeting, Council Member Brenner requested a report regarding the value of the properties rented for charitable purposes and expressed a desire to see a Finance Policy on how often the City should conduct a market analysis of the leased properties. Chair O'Neill recommended an item be placed on a future agenda to discuss a potential F-Policy update and requested a discussion with Community Development Department staff.

Recommended Action:

Review the list of properties and agreements with less than open fair market value rent, and provide input to staff.

[STAFF REPORT](#)

[ATTACHMENT A](#)

[ATTACHMENT B](#)

[ATTACHMENT C](#)

B. TOT, CHARTER TAX AND OTHER AUDITS UPDATE

Summary:

Staff will update the Committee on the TOT, charter tax and other audits performed to date.

Recommended Action:

Receive and file.

[STAFF REPORT](#)

[ATTACHMENT A](#)

C. PENSION BASICS PRIMER

Summary:

The Committee will acknowledge Committee Member Tucker's pension basics primer to orient new members of the Finance Committee.

Recommended Action:

Receive and file.

[ATTACHMENT A](#)

D. ECONOMIC CONTRIBUTION OF NEWPORT BEACH TO THE ORANGE COUNTY ECONOMY

Summary:

Beacon Economics identifies the role that the City of Newport Beach plays in Orange County's economy.

Recommended Action:

Receive and file.

[STAFF REPORT](#)

[ATTACHMENT A](#)

E. BUDGET AMENDMENTS FOR QUARTER ENDING JUNE 30, 2019 AND SEPTEMBER 30, 2019

Summary:

Staff will report on budget amendments for the prior quarters.

Recommended Action:

Receive and file.

[STAFF REPORT](#)

[ATTACHMENT A](#)

[ATTACHMENT B](#)

F. DISCUSS WHICH COUNCIL POLICIES THE FINANCE COMMITTEE MAY BE INTERESTED IN REVIEWING DURING FY 2019-20

Summary:

Staff and Finance Committee should discuss which financial policies may warrant a review and update at subsequent Finance Committee meetings. Examples include a compulsory review of investment policy (F-1), changes to the Reserve Policy (F-2) that may be necessitated by the newly proposed by the Water rate structure or other policies that Finance Committee members may be interested in.

Recommended Action:

Direct staff to bring recommended updates to financial policies if necessary.

G. INTERNAL AUDIT PROGRAM

Summary:

In the spirit of continuous improvement, the City of Newport Beach Finance Department recently selected the audit firm Moss Adams LLP (Moss Adams) to assess internal control risks, conduct performance audits and management consulting services where appropriate.

Recommended Action:

Receive and file.

[STAFF REPORT](#)

H. REVIEW AND DISCUSS 2019-20 FINANCE COMMITTEE WORKPLAN

Summary:

Staff and Finance Committee should review the proposed work plan and adjust as necessary.

Recommended Action:

Review and Comment.

[ATTACHMENT A](#)

VI. FINANCE COMMITTEE ANNOUNCEMENTS ON MATTERS WHICH MEMBERS WOULD LIKE PLACED ON A FUTURE AGENDA FOR DISCUSSION, ACTION OR REPORT (NON-DISCUSSION ITEM)

VII. ADJOURNMENT