

CITY OF DANA POINT

**FINANCIAL
REVIEW
COMMITTEE
MEETING**



**TUESDAY
JANUARY 25, 2022
4:00 P.M.**

ACTION MINUTES

Location: Public Works Conf Rm, 33282 Golden Lantern, Suite 212, Dana Point, California 92629

CALL TO ORDER

The Regular Meeting of the Financial Review Committee of the City of Dana Point, California, was called to order by Chair Mitchell at 4:02 p.m. in the Public Works Conf Rm, 33282 Golden Lantern, Suite 212, Dana Point.

ROLL CALL OF FINANCIAL REVIEW COMMITTEE MEMBERS:

Diana Mitchell, Chair
Mike Frost, Vice-Chair
Raul Amezcua, Member
Jamey M. Federico, Member
Mike Killebrew, Member

STAFF PRESENT: Sea Shelton, Finance Manager; Jaimie To, Management Analyst; Gaby Lopez, Senior Administrative Assistant

PUBLIC COMMENTS

There were no Public Comments.

NEW BUSINESS

1. ORGANIZATION OF THE FINANCIAL REVIEW COMMITTEE

Chair Mitchell opened nominations for the Chair.

Chair Mitchell nominated Member Amezcua to serve as Chair of the Financial Review Committee and was seconded by Member Killebrew.

The motion carried by the following vote:

AYES: Member Amezcua, Member Federico, Member Killebrew, Vice-Chair Frost, Chair Mitchell

NOES: None

Chair Amezcua opened nominations for the Vice-Chair.

Vice-Chair Frost nominated himself and was seconded by Member Federico.

The motion carried by the following vote:

AYES: Member Federico, Member Killebrew, Member Mitchell, Vice-Chair Frost, Chair Amezcua
NOES: None

2. APPROVAL OF MINUTES FROM THE OCTOBER 26, 2021 FINANCIAL REVIEW COMMITTEE MEETING

It was moved by Member Federico and seconded by Member Killebrew that the Minutes of the October 26, 2021 be approved.

The motion carried by the following vote:

AYES: Member Federico, Member Killebrew, Member Mitchell, Vice-Chair Frost
NOES: None
ABSTAIN: Chair Amezcua

3. QUARTERLY FINANCIAL REPORT ENDING DECEMBER 31, 2021

Staff Member Shelton provided a staff report.

Discussion ensued.

Member Federico requested that a Franchise Fee discussion item be added to the next Financial Review Committee meeting.

It was moved by Member Mitchell and seconded by Chair Amezcua that the Quarterly Financial Report ending December 31, 2021 be forwarded to the City Council with a recommendation to receive and file.

The motion carried by the following vote:

AYES: Member Federico, Member Killebrew, Member Mitchell, Vice-Chair Frost, Chair Amezcua
NOES: None

4. UPDATED INVESTMENT POLICY

Member Killebrew provided a staff report and informed the FRC Committee that the only change is the date.

Discussion ensued.

It was moved by Member Killebrew and seconded by Member Mitchell that the Updated Investment Policy be approved.

The motion carried by the following vote:

AYES: Member Federico, Member Killebrew, Member Mitchell, Vice-Chair Frost, Chair Amezcua
NOES: None

5. COASTAL ANIMAL SERVICES AUTHORITY UNFUNDED PENSION LIABILITY UPDATE

Staff Member Shelton provided a staff report.

Member Federico informed the FRC Committee that the Coastal Animal Services Authority (CASA) unfunded pension liability is only 75% funded and it will possibly need to be up to 90% funded to enter CalPERS.

Discussion ensued.

It was moved by Member Federico and seconded by Vice-Chair Frost to recommend to the City Council to authorize a set-aside from the City's General Fund of \$334,720, which is the estimated portion of the CASA unfunded pension liability that is estimated to be the responsibility of the City of Dana Point.

The motion carried by the following vote:

AYES: Member Federico, Member Killebrew, Member Mitchell, Vice-Chair Frost, Chair Amezcua
NOES: None

6. SECTION 115 TRUST PENSION LIABILITY UPDATE

Staff Member Shelton provided a staff report and that Staff is recommending the PARS Pension Rate Stabilization Program (PRSP) for Section 115 Pension Trust services, and Vanguard to provide investment management services.

Discussion ensued.

It was moved by Member Killebrew and seconded by Vice-Chair Frost to recommend to the City Council to authorize a contract with PARS for Section 115 Pension Trust services and Vanguard to provide investment management services; and that Staff work on options for investments to provide at the April 26, 2022 meeting.

The motion carried by the following vote:

AYES: Member Federico, Member Killebrew, Member Mitchell, Vice-Chair Frost, Chair Amezcua
NOES: None

STAFF REPORTS

Staff Member Shelton informed the FRC Committee about the upcoming mid-year review going to the City Council on March 1, 2022 and the Long Term Financial plan discussion on March 15, 2022. She also informed the FRC Committee that if Council approves the updated Strategic Plan, Staff will bring possible recommendations for resourcing discussion at the April 26, 2022 meeting. Staff is finalizing their decision on the new budgeting software and should have a contract to City Council on March 1, 2022.

FINANCIAL REVIEW COMMITTEE REPORTS

Member Federico thanked Member Mitchell for serving two consecutive terms as Chair, and thanked Chair Amezcua for being the new Chair and he also thanked Staff Member Shelton for her professional reports.

ADJOURNMENT

There being no further business before the Financial Review Committee at this session, Chair Amezcua adjourned the meeting at 5:12 p.m.

GABY LOPEZ, SENIOR ADMINISTRATIVE ASSISTANT

DATE