

**City of South Pasadena Finance Committee  
Minutes for Meeting of:  
Mar. 13, 2013, 6:30 p.m.**

**Location:** Burke Triolo Studio  
538 Mission Street  
South Pasadena, CA 91030

- I. Roll Call** Committee Chair Adrian – Present  
Member Burke – Present – Arrived 6:40 p.m.  
Member Catania – Present  
Member Peters – Present  
Member Rusk – Present  
City Council Liaison Schneider - Present – Arrived 7:05 p.m.  
City Treasurer Pia – Present  
Finance Director Thai – Present  
Assistant Finance Director Batt – Present

Also Present: Asst. City Manager Hilary Straus  
Councilmember Michael Cacciotti

**II. Public Comment**

None.

**III. Approval of the Minutes from the Jan. 9, 2013 Meeting**

Approved 3-0, 1 Abstention (Rusk), Burke absent.

**IV. New Business**

- a. Appointment to Ad Hoc Downtown Advisory Committee

**City Treasurer Pia explained that the Downtown Advisory Committee is the replacement for the old Community Development Commission, which is no longer in existence since the Community Redevelopment Agency has been dissolved. Asst. City Manager Straus gave an overview of the plans for the Committee and the status of the former Downtown Project.**

**After some discussion of the skill set needed for a position on the Committee, Committee Chair Adrian appointed Member Catania as the Finance Committee's representative on the Downtown Advisory Committee. Member Catania said he would provide updates to the Finance Committee on the Downtown Committee actions.**

**Closed.**

- b. Review of City Insurance Program

**Asst. City Manager Straus said that Alliant is moving forward with the risk management analysis of our insurance program which consists of an evaluation of all of our coverages, loss runs etc. He said their first set of recommendations will involve whether we have the right insurance levels and types. The Alliant representatives will then compare our insurance with the two other major risk pools in the State (CESAC and PARSAC) and report back to the Finance Committee with their findings. Asst. City Manager Straus explained that if there was a recommendation to change insurance carriers, we would need to give our current carrier, CJPIA, a one year notice. City Treasurer Pia suggested that if we do give notice, we should still revisit the recommendations and pricing six or nine months in to verify that we're still getting the best deal.**

**There was discussion of the timing of any Finance Committee action on this subject since the City Council would need to make the final decision on whether or not to change carriers prior to July 1. Asst. City Manager Straus said he would provide updates to the Council on the progress of the analysis and any Finance Committee action.**

**Continued.**

**c. Report on Trusts and Foundations**

**Committee Chair Adrian explained that Councilmember Cacciotti and Sr. Commission Member Cervantes had come to the Finance Committee to express their concerns about how certain donated funds were being spent. She said that she then went to Finance Director Thai to volunteer to do a review of the issue as an experienced outside party. Her review was completed and distributed to the Senior Commission. She explained that the City has no foundations or charitable trusts of its own, but that the Romine Trust donated monies to the Senior Center and the Library, and that the Mullen Trust made a donation to the Library. She said there was no mishandling of how these funds were spent, and she described the procedures that are in place to review expenditure requests.**

**Member Catania suggested that in future these funds should be included as part of the budget so that the City Council can formally approve them following recommendations from the appropriate departments and Commissions. Councilmember Cacciotti concurred and asked the Committee to make a formal motion about this. Member Pia made a suggestion that a report be prepared periodically that lists any gifts and donations made during the year.**

**Member Catania made a motion to include an additional recommendation in Committee Chair Adrian's report that any proposed expenditures from these trusts be included in the budget and presented for adoption by the City Council.**

**Passed 4-0, 1 Abstention (Adrian).**

**V. Continuing Business**

a. Update on Utility Billing Contract and Customer Service

Finance Director Thai gave an overview of the outsourcing of the water billing services to Global Water which took effect on Jan. 2, 2013. He said that the data migration to Global Water should be completed by April 1, 2013, and that some of the enhancements to customer services, e.g. online payment, have already been implemented. He said that Global Water is also going to be involved in the proposed water budget model, since their system can handle all the factors involved with that process whereas our former system couldn't.

Continued.

b. Update on 2013 Bond Refunding

City Treasurer Pia gave a brief overview on the refunding process and expressed his thanks to the City Council for their action on this issue. He pointed out that it took less than 60 days from the first resolution of the Council to the conclusion of the refunding. He said the net result to the City would be a \$70,000 per year savings over the remaining life of the bonds, for a total net savings of \$1.168 million.

Closed.

c. Update on Strategic Planning Process

Finance Director Thai gave a brief overview of the Strategic Planning Session that was held on January 26, 2013. He said he felt this was a great process since it keeps the City focused on its goals and objectives.

Closed.

**VI. Committee Member Comments**

Member Burke gave a brief update on new developments at the Ostrich Farm. Councilmember Cacciotti asked the Committee to examine at some future time the City's leases, contracts and vendor agreements and possibly make recommendations regarding them.

**VII. Adjournment**

The meeting was adjourned at 8:00 p.m. The next regular meeting is scheduled for 6:30 p.m., Wednesday, May 8, 2013, at Burke Triolo Studio, 538 Mission Street.

Accepted:

Corrie Adelman  
Committee Chair Adrian

Feb 17, 2014  
Date