

SOUTH PASADENA FINANCE COMMITTEE

REGULAR MEETING AGENDA

Wednesday, November 12, 2014

6:00 pm

Western Asset Management Company

385 E. Colorado Blvd.

Pasadena, CA 91101

1. ROLL CALL

Committee Chair Adrian, Members Burke, Catania, Peters and Robinson, City Treasurer Pia, Finance Director Batt, Asst. Finance Director Lieu, and City Council Liaison Khubesrian.

2. PUBLIC COMMENT

Time reserved for public input from those who wish to address the Committee. Public input will also be taken on all agenda items. Public input is limited to 5 minutes per speaker.

3. APPROVAL OF MINUTES

Review of minutes of the August 19, 2014 Meeting.

4. NEW BUSINESS

- a. Morgan Stanley/Western Asset Investments
- b. Finance Committee Term Limits

5. COMMITTEE MEMBER COMMENTS

6. NEXT SCHEDULED MEETING – TBD

Date

11/7/14

Signature

Sam Batt

I declare under penalty of perjury that I am an employee of the City of South Pasadena and that I posted this Agenda on the bulletin board in the courtyard of the City Hall at 1414 Mission Street, South Pasadena, CA 91030, as required by law.

**City of South Pasadena Finance Committee
Minutes for Meeting of:
August 19, 2014, 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
Member Catania – Present
Member Peters – Present
Member Robinson – Present
City Council Liaison Khubesrian - Excused
City Treasurer Pia – Present
Finance Director Batt – Present
Asst. Finance Director Lieu – Present

II. Public Comment

None.

III. Approval of Minutes for the Meeting of July 23, 2014

Committee Chair Adrian requested that the wording in Section IV(a) of the minutes be changed from “**due to a possible conflict of interest**” to “**to ensure no conflict of interest**”.

Approved 5-0.

IV. New Business

a. Water and Rubbish Low-Income Subsidy Program

Finance Director Batt explained that several issues have arisen with relation to the new low-income subsidy program that had just been established by the City Council. He requested the Committee’s assistance in setting guidelines for determining eligibility, and prevent people who are not in genuine need of the subsidy from receiving it. There was considerable discussion on the types of income that should be included, and creating a practical methodology for determining eligibility. The Committee established a formula derived from the tax returns that would be both fair and simple to administer.

Member Burke made a motion to recommend to the City Council the agreed-upon method to calculate qualifying income. Motion passed 5-0.

Closed.

V. Continuing Business

b. Update on Global Water

Finance Director Batt gave a brief overview of the continuing issues with Global Water. He said that there hasn't been a chance to discuss the situation yet with the new attorney, but he hopes to start that process in the next few weeks. He added that he would like to bring the billing service back in-house, and that the first step in the process would be to upgrade the City's financial software, which he hopes to do this fiscal year. If we took the service back, we would also need to hire additional staff.

Continued.

c. Update on Athens

Finance Director Batt said that as of July 1, Athens has taken over commercial billings and special disposal billings. Negotiations are ongoing with Athens about the term of their contract and the possibility of them taking back the residential billings as well.

Closed.

VI. Committee Member Comments

City Treasurer Pia said that when he explains to residents the City's three-pronged approach to financial stewardship they end up feeling very good about how the City is managed.

Committee Chair Adrian expressed concerns about the City's process of contract review, especially in light of the unfavorable Global Water contract.

VII. Adjournment

The meeting was adjourned at 7:55 p.m.

Accepted:

Committee Chair Adrian

Date

RESOLUTION NO. 7014**AN AMENDED RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF SOUTH PASADENA, CALIFORNIA,
RESTATING AND INCREASING THE NUMBER OF MEMBERS
OF THE CITY OF SOUTH PASADENA FINANCE COMMITTEE**

WHEREAS, the City of South Pasadena established the Investment Policy Review Committee in the aftermath of the Orange County investment scandal in order to support the activities of the City Treasurer toward safeguarding the City's assets and investment portfolio; and

WHEREAS, the Investment Policy Review Committee has expertly met its obligations while expanding the scope of its activities to include evaluation of certain Citywide internal controls, cash management for grant-funded activities, banking relations and credit card use, and general financial management; and

WHEREAS, on May 12, 2007, the City Council concluded that consolidation of certain boards and commissions and the renaming of the Investment Policy Committee consistent with its expanded role will increase the effectiveness of the City of South Pasadena organization generally; and

WHEREAS, on September 5, 2007 the City Council dissolved the Investment Policy Review Committee and in its place created the South Pasadena Finance Committee with the passage of Resolution No. 6950; and

WHEREAS, on September 16, 2008 the Finance Committee voted unanimously to recommend to the City Council to increase the Finance Committee from three members to five members.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. The City Council hereby repeals Resolution No. 6950.

SECTION 2. The Finance Committee shall serve in an advisory capacity to the City Council, the City Treasurer, and the City's Finance Department in matters that are assigned to it by the City Council or City Treasurer, or in matters of financial, budgetary, banking, accounting, licensing and treasury management that the Finance Committee judges that its advice and input would be of value to the City of South Pasadena.

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SECTION 3. The Finance Committee shall consist of five members. Appointments to the Finance Committee shall be made by the Mayor. Members shall be residents of the City and shall not hold any paid office or employment in the City government. Members shall serve without compensation.

SECTION 4. In recognition of the fact that accumulated knowledge in the detailed matters of municipal financial management can provide business efficiencies and practical effectiveness, there shall be no term of office for Finance Committee members. Upon the resignation of a Finance Committee member the Mayor shall appoint a successor member. A member's seat will be deemed vacant whenever such member, without excuse from the Finance Committee Chairperson, misses two meetings. Attendance of less than fifty percent of any meeting will be counted as a miss. The Finance Committee chairperson shall communicate to the Mayor the existence of a vacant seat on the Committee for the Mayor's subsequent appointment.

SECTION 5. The Finance Director shall be the staff liaison to the Finance Committee.

SECTION 6. The City Council may appoint a City Council liaison from its members or order to establish and maintain relevant communication. The City Council liaison shall not have the power to vote with the Finance Committee.

SECTION 7. The Finance Committee shall elect a chairperson from among its appointed members.

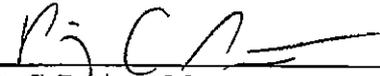
SECTION 8. The Finance Committee shall hold at least one regular meeting every three months (or four times per year). Three members of the Finance Committee shall constitute a quorum.

SECTION 9. The Finance Committee shall adopt its own rules for transaction of business and shall keep a record of its resolutions, transactions, findings, determinations and recommendations. These records shall be public records.

SECTION 10. The Finance Committee shall not have the power, without consent of the City Council, to incur financial obligations, nor to pledge the credit of the city, nor expend the revenues of the City for any purpose whatever, nor to commit the City, its City Council, officers and employees to any course of action, decision or procedure.

SECTION 11. The Finance Committee shall render periodic written reports on its work as directed by the City Council

PASSED, APPROVED AND ADOPTED ON this 5th day of November, 2008.


Philip C. Putnam, Mayor

ATTEST:

APPROVED AS TO FORM:


Sally Kilby, City Clerk


Richard L. Adams II, City Attorney

I HEREBY CERTIFY the foregoing resolution was duly adopted by the City Council of the City of South Pasadena at a regular meeting held on the 5th day of November, 2008 by the following vote:

AYES: Cacciotti, Schneider, Sifuentes, Ten and Mayor Putnam

NOES: None

ABSENT: None

ABSTAINED: None


Sally Kilby, City Clerk