

**City of South Pasadena Finance Commission  
Minutes for Meeting of:  
February 23, 2017 6:30 p.m.**

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

- I. Roll Call** Commissioner Chair Catania – Present  
Commissioner Adrian – Present  
Commissioner Burke – Present  
Commissioner Corey – Present  
Commissioner Wood – Present  
City Council Liaison Schneider – Present  
City Treasurer Pia – Present  
Staff Liaison / Finance Director Batt – Present

Also present: Natalie Sanchez, Management Assistant

**II. Administration of Oath of Office to Newly-Appointed Commissioner**

Natalie Sanchez from the City Clerk's Office administered the Oath of Office to Commissioner Corey.

**III. Public Comment**

None.

**IV. Approval of Minutes of the August 24, 2016 Meeting**

Minutes of October 27, 2016 Approved 5-0.

**V. New Business**

- a. Election of Commission Vice-Chair

**Commissioner Adrian was elected as Vice-Chair.**

**Closed.**

- b. Appointment to the San Pascual Stables Subcommittee

**Commissioner Corey was appointed as the representative to the San Pascual Stables Subcommittee.**

**Closed.**

- c. Appointment to the General Plan Prosperous Community Focus Group

**Commissioner Wood was appointed as the representative to the General Plan Prosperous Community Focus Group.**

**Closed.**

**d. FY 16 Comprehensive Annual Financial Report**

**Finance Director Batt said the City received another clean opinion, and that there were not any significant changes from the prior year. Commissioner Burke asked about the unfunded pension and health liabilities. Finance Director Batt said that the pension liability was about \$24 million, and the retiree health liability was about \$16 million. Commissioner Corey asked how the City will address the increasing pension liability. Finance Director Batt said the liability is amortized in our PERS rates, but we need to do something soon to deal with the spikes in PERS rates that are coming over the next several years. There was also discussion about reserve levels, and various revenues.**

**Commissioner Burke made a motion to receive and file the report.**

**Approved 5-0.**

**VI. Continuing Business**

**a. Update on General Liability and Workers Compensation Insurance**

**Finance Director Batt said that staff had met with both CESAC and CJPIA to see how the workers compensation premiums could be reduced. He said that the premiums could be lowered by around \$700,000 per year by adopting an SIR, and these proposals are now being evaluated. However, there is risk involved if we get large claims.**

**Continued.**

**b. Update on Water Projects and Bond Refinancing**

**Finance Director Batt said that the 2016 Bond issue closed, saving the City approximately \$366,000 per year. He said that the Garfield Reservoir project is nearing completion, and that the State is not going to require a rate increase as a condition of the new loan for the Graves Reservoir project.**

**Continued.**

**VII. Commissioner Comments**

**The Commissioners mentioned issues relating to tree maintenance as a consequence of the loss of the LLMD vote, and suggested putting the matter on the next agenda.**

**City Treasurer Pia said that he and Finance Director Batt had a productive meeting with our representatives from Morgan Stanley, and provided guidance on the community's sensibilities with regard to social issues.**

**Commissioner Burke requested that at the next meeting, the Commission get an overview of our current investments, and have a brief discussion of what might or might not be acceptable to the residents in terms of investment products.**

**VIII. Council Liaison Comments**

**Council Liaison Schneider suggested that the Commission at a future meeting should look at the Golf Course renewal when the City gets to the financing stage.**

**IX. Staff Liaison Comments**

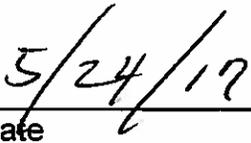
**Finance Director Batt said that he attended the first General Plan Prosperous Community Focus Group meeting, and that the process is expected to take 18-24 months. There will be a charrette taking place from April 24 through April 28.**

**X. Next Meeting – April 27, 2017**

The meeting was adjourned at 8:05 p.m

Accepted:

  
\_\_\_\_\_  
Commission Chair

  
\_\_\_\_\_  
Date