



**CITY OF SOUTH PASADENA
FINANCE COMMISSION
SPECIAL MEETING AGENDA**

**1424 Mission Street, South Pasadena, CA, 91030
Commissioners to participate via ZOOM**

August 27, 2020, at 6:30 pm.

CALL TO ORDER:	Commission Chair Findley
ROLL CALL:	Chair Findley, Vice Chair Tao, Commissioners Choi, Elsner and Wood, and City Treasurer Pia
COUNCIL LIAISON:	Mayor, Robert Joe
STAFF PRESENT:	Finance Director, Karen Aceves

NOTICE OF PUBLIC PARTICIPATION AND ACCESSIBILITY

Pursuant to Section 3 of Executive Order N-29-20, issued by Governor Newsom on March 17, 2020, the Special Meeting of the Finance Commission for August 27, 2020 will be conducted remotely and held by video conference, beginning at 6:30 p.m. The Meeting will be broadcast live on the City's local cable channel and the City's website at: (www.southpasadenaca.gov/financecommission).

Please be advised that pursuant to the Executive Order, and to ensure the health and safety of the public by limiting human contact that could spread the COVID-19 virus, the Council Chambers will not be open for the meeting. Commissioners will be participating remotely and will not be physically present in the Council Chambers.

If you would like to comment on an agenda item, or make a general public comment, members of the public may submit their comments in writing for Commission consideration, by emailing them to: fcpubliccomment@southpasadenaca.gov.

Public Comments must be received by 6 p.m., August 26, 2020 to ensure adequate time to compile and post. Public Comment portion of the email is limited to 150 words. Please make sure to indicate: 1) your name; 2) what agenda item you are submitting public comment on, or if it is a general public comment; and 3) clearly state if you wish for your comment to be read.

PUBLIC COMMENT

Public Comments received by 6 p.m. August 26, 2020 will be read during this time, limited to 150 words. Public comments received will be posted to the website and entered into the record of the meeting.

ACTION/DISCUSSION

1. Receive and File of Revenues and Expenditures for Fiscal Year 2020-2021 and Provide Direction on Budget Process
2. Approval of Minutes

ADJOURNMENT


FUTURE FINANCE COMMISSION MEETINGS

September 24, 2020 Virtual Meeting

PUBLIC ACCESS TO AGENDA DOCUMENTS


Prior to meetings, agenda related documents are available for public inspection at, City Hall, 1414 Mission Street, South Pasadena, CA 91030. The complete agenda packet may also be viewed on the City’s website at: www.southpasadenaca.gov/financecommission

ACCOMMODATIONS



The City of South Pasadena wishes to make all of its public meetings accessible to the public. Meeting facilities are accessible to persons with disabilities. If special assistance is needed to participate in this meeting, please contact the City Clerk's Division at (626) 403-7230. Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities. Hearing assistive devices are available in the Council Chamber. Notification at least 48 hours prior to the meeting will assist staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting (28 CFR 35.102-35.104 ADA Title II).

I declare under penalty of perjury that I posted this notice of agenda on the bulletin board in the courtyard of City Hall at 1414 Mission Street, South Pasadena, CA 91030, and on the City’s website as required by law.

8/24/2020 

Date Karen Aceves
Finance Director



Finance Commission Agenda Report

ITEM NO. _____

DATE: August 27, 2020

FROM: Karen Aceves, Finance Director

**SUBJECT: Receive and file of Revenues and Expenditures for Fiscal Year 2020-2021
and Provide Direction on the Budget Process**

Recommendation

It is recommended that the Finance Commission Receive and File the anticipated statement of revenues and expenditures for Fiscal Year (FY) 2020/21 and provide direction on the budget process and outreach.

Executive Summary

On June 24, 2020, the City Council approved resolution No. 7660 to continue appropriations of the FY 19/20 budget. In order to maintain compliance with the government code 53901, the City must submit a statement of anticipated revenues and expenditures within sixty days of the start of the FY. As such, staff recommended approval of the list of the anticipated revenues and expenditures attached, measure passed by the City Council on August 19, 2020. Following submittal and the presentation of the audit, staff will begin to work on the budget for FY 2020/21 per council direction.

Discussion/Analysis

Pursuant to Government Code Section 53901, the City Council must either adopt a formal budget reflecting the current fiscal year or approve a list of anticipated revenues and expenditures for the current fiscal year within 60 days of the beginning of the fiscal year. The City Council asked that a formal budget not be adopted until the audit for FY 2018/19 be completed. Since the audit and Consolidated Annual Financial Report (CAFR) will not be completed until mid-September, the attached statement will serve to comply with the government mandate.

Next Steps

Once the audit and CAFR are presented staff will bring back a budget for City Council consideration. Since the June budget presentation, there have been several changes including most notably the following:

- Defund the Police movement to shift dollars from Police budgets to other services; and
- The continuation of the “safer at home” order as the coronavirus continues to spread.

These events alone have shifted community priorities and further reduced revenues, which will require significant tradeoffs, and may require further community input. There are several decisions which need to be made regarding the budget:

1. Staff can present the budget with the same expenditures as presented in June and update the fund balances and revenues.
2. Council can engage a consultant to create a comprehensive outreach program to address shifting social priorities.

As soon as the current CAFR is approved, staff will begin working on the next CAFR in order to ensure that we can get the City on track with timely submittals. Further staff will simultaneously be working on additional audits including the Metro audit, which will further constrain resources. Finally, the finance team is heavily involved in the tracking and submittal of Covid-19 reimbursements to ensure the City recovers as much as possible through all the federal and state resources.

Undoubtedly 2020 has presented operational and financial challenges both within the City's internal finances and as part of the greater economy. Staff will continue to provide the most up to date financial information in order to ensure the City can appropriately prepare for the challenges it may face immediately and for the longer term.

Legal Review

The City Attorney has reviewed this item.

Fiscal Impact

The statement of anticipated revenues and expenses is a compliance document which will be superseded by the formal budget once it is adopted by City Council.

Environmental Analysis

This item is exempt from any California Environmental Quality Act (CEQA) analysis.

Public Notification of Agenda Item

The public was made aware that this item was to be considered this evening by virtue of its inclusion on the legally publicly noticed agenda, posting of the same agenda and reports on the City's website and/or notice in the *South Pasadena Review* and/or the *Pasadena Star-News*.

Attachment: Statement of Anticipated Revenues and Expenses for FY 2020/21

City of South Pasadena
Anticipated Revenues and Expenditures
Governmental Funds
For Fiscal Year Ending June 30, 2021

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues			
Taxes	\$ 22,669,666	\$ 2,288,921	\$ 24,958,587
Assessments	-	880,000	880,000
Licenses and permits	781,780	25,000	806,780
Intergovernmental	33,500	1,051,827	1,085,327
Charges for services	2,686,769	273,000	2,959,769
Use of money and property	541,250	113,635	654,885
Fines and forfeitures	265,000	-	265,000
Contributions	-	-	-
Miscellaneous	483,384	-	483,384
Total revenues	27,461,349	4,632,383	32,093,731
Expenditures			
Wages and benefits	20,003,795	1,251,638	21,255,433
Operations and maintenance	5,973,353	2,925,470	8,898,823
Capital outlay	103,100	2,224,167	2,327,267
Excess (deficiency) of revenues over (under) expenditures	(438,899)	(1,768,892)	(387,792)
Other Financing Sources (Uses)			
Transfers in	-	1,000,000	1,000,000
Transfers out	(1,820,000)	-	(1,820,000)
Total other financing sources (uses)	1,820,000	1,000,000	(820,000)
Total expenditures	27,900,248	6,401,275	32,481,523

**City of South Pasadena Finance Commission
Minutes for Regular Meeting of:
December 19, 2019 6:30 PM**

City Hall - City Manager Conference Room
1414 Mission St
South Pasadena, CA 91030

- I. Roll Call
 - Commission Chair Wood – Absent
 - Commission Vice-Chair Adrian – Absent
 - Commissioner Tao – Present
 - Commissioner Choi – Present
 - Commissioner Findley – Present
 - City Treasurer Pia – Present
 - Acting Finance Director Aceves – Present
 - Acting Finance Director Demirjian
 - Accounting Manager Trashian - Present
- II. Public Comment
 - None.
- III. Action/Discussion
 1. Approval of Minutes for meeting on 10/24/19: Motion by Commissioner Tao, second by Commissioner Choi - Approved 3-0
 2. Annual Report: Motion for approval by Commissioner Tao, second by Commissioner Choi - Approved 3-0
 3. 2020 Schedule and Workplan presentation
 4. Code of Ethics & Conduct discussion
- IV. Communications
 1. City Council Liaison Communications
 - i. Mayor Joe appointed as City Council Liaison
 2. Commissioner Communications
 - None.
 3. Staff Liaison Communications
 - i. Sales Tax Update
 - ii. Utility Billing Update
- V. Next meeting –March 26, 2020

Meeting Adjourned at 7:40 PM

**City of South Pasadena Finance Commission
Minutes for Regular Meeting of:
April 22, 2020 9:00 A.M.**

Broadcast via ZOOM conference call.

- I. Roll Call
 - Commission Chair Wood – Present
 - Commission Vice-Chair Findley – Present
 - Commissioner Tao – Present
 - Commissioner Elsner – Present
 - Commissioner Choi – Present
 - City Treasurer Pia – Present
 - City Council Liaison Joe – Present
 - Finance Director Aceves – Present

- II. Public Comment
 1. Finance Director reads Notice of Public Participation and Accessibility
 2. All Public Comments read aloud

- III. Action/Discussion
 1. Selections of Officers - Fred Findley nominated by Ellen Wood for Commission Chair, approved 4-0; Zhen Tao nominated for Vice Chair by Edwin Choi, approved 4-0
 2. Reviewed and discussed the 2020/21 Fund Budget updates in Response to COVID 19
 - a. Agreement to schedule a special meeting May 26, 2020 for Budget Discussions

- IV. Communications
 1. City Council Liaison Communications
 - Mayor Joe – Reminder of City Council Special Meeting with guest State Senator Portantino and other elected officials
 2. Commissioner Communications
 - None.
 3. Staff Liaison Communications
 - None.

- V. Next meeting – May 26, 2020

Meeting Adjourned at 10:50 A M

**City of South Pasadena Finance Commission
Minutes for Special Meeting -
May 26, 2020 9:00 A.M.**

Broadcast via ZOOM conference call.

- I. Roll Call
Commission Chair Findley – Present
Commission Vice-Chair Tao – Present
Commissioner Choi – Present
Commissioner Elsner – Present
Commissioner Wood – Present
City Treasurer Pia – Present
City Council Liaison Joe – Present
Finance Director Aceves – Present

- II. Public Comment
None.

- III. Action/Discussion
 1. Budget Presentation for Fiscal Year 2020-2021
 - i. Motion by Commissioner Elsner to accept the Budget Proposal to submit to the City Council, Second by Commissioner Wood. Approved 5-0
 - ii. Motion by Commissioner Elsner to Approve the Draft Budget, Second by Vice-Chair Tao. Approved 5-0

- IV. Communications
 1. City Council Liaison Communications
None.
 2. Commissioner Communications
None.
 3. Staff Liaison Communications
None.

- V. Next regular meeting – June 25, 2020

Meeting Adjourned at 10:11 A.M.

**City of South Pasadena Finance Commission
Minutes for Special Meeting of:
June 18, 2020 10:00 A.M.**

Broadcast via ZOOM conference call.

- I. Roll Call
 - Commission Chair Findley – Present
 - Commission Vice-Chair Tao – Present
 - Commissioner Choi – Present
 - Commissioner Elsner – Present
 - Commissioner Wood – Present
 - City Treasurer Pia – Present
 - City Council Liaison Joe – Present
 - Finance Director Aceves – Present
 - Accounting Manager Trashian – Present
 - Finance Manager Trinh – Present

- II. Public Comment
 1. Read aloud by Finance Director, Karen Aceves

- III. Action/Discussion
 1. Discussion of Fiscal Year 2020-2021 budget draft
 - i. Motion by Commissioner Elsner to recommend the City Council not adopt the proposed budget and instead adopt a Resolution to continue appropriations until there are results from the FY 18-19 Audit, Approved 4-1.
 2. Presentation on Finance Improvements

- IV. Communications
 1. City Council Liaison Communications
 - None.
 2. Commissioner Communications
 - None.
 3. Staff Liaison Communications
 - None.

- V. Next regular meeting – August 27, 2020

Meeting Adjourned at 12:41 P.M.