CITY OF PASADENA
FINANCE COMMITTEE MINUTES
PASADENA CITY HALL
100 NORTH GARFIELD AVENUE
CITY HALL COUNCIL CHAMBER – S249
JUNE 20, 2022
SPECIAL MEETING

The meeting was convened and held virtually by videoconference/teleconference.

OPENING

Chair Mayor Gordo called the special meeting of the Finance Committee to order at 3:05 p.m.

ROLL CALL:

Mayor Victor Gordo (Chair)
Vice Mayor Andy Wilson (Absent)
Councilmember John Kennedy
Councilmember Felicia Williams

Staff:

Theresa Fuentes, Assistant City Attorney
Michele Bagneris, City Attorney/City Prosecutor
Cynthia Kurtz, Interim City Manager
Matthew Hawkesworth, Director of Finance
Tony Olmos, Director of Public Works
Phyllis Hallowell, Management Analyst
Kris Markarian, City Engineer
Tim Park, Budget Administrator
Flora Karmiryan, Principal Administrative Analyst
Byanca Banaga, Administrative Analyst
Rachelle, Yalung, Senior Administrative Analyst
Shari Thomas, Assistant General Manager of Finance
Marvin Moon, Assistant General Manager of Power Delivery
Varoojan Avedian, Engineering Manager of Power Delivery
Christina Schieber, Management Analyst
Laura Rubio-Cornejo, Director of Transportation
Gloria Acevedo, Recording Secretary

APPROVAL OF MINUTES

It was moved by Councilmember Williams, seconded by Councilmember Kennedy, to approve the minutes of April 11, 2022 Special Meeting, April 25, 2022 (Joint Meeting), and May 2, 2022 Special Meeting as submitted:

AYES:	Councilmember Williams, Kennedy, Chair Gordo
NOES:	None
ABSENT:	Vice Mayor Wilson
ABSTAIN:	None

NEW BUSINESS

PROPOSITION A LOCAL RETURN FUND EXCHANGE WITH THE CITY OF CUDAHY

Chair Gordo provided introductory comments and pointed out the report is transferring over dollars already allocated in the Transportation Department.

Following discussion, it was moved by Councilmember Kennedy, seconded by Councilmember Williams, to approve the staff recommendation, and forward the item to the City Council for consideration:

AYES: Councilmembers Williams, Kennedy, Chair Gordo
NOES: None
ABSENT: Vice Mayor Wilson
ABSTAIN: None

AMENDMENTS TO FISCAL YEAR 2022 CAPITAL IMPROVEMENT BUDGET AND ADOPT ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017 (SB1) PROJECT LIST FOR FISCAL YEAR 2023

Chair Gordo provided introductory comments and confirmed the action is required to comply with Senate Bill 1.

Following discussion, it was moved by Councilmember Williams, seconded by Councilmember Kennedy, to approve the staff recommendation, and forward the item to the City Council for consideration:

AYES: Councilmembers Williams, Kennedy, Chair Gordo
NOES: None
ABSENT: Vice Mayor Wilson
ABSTAIN: None

AMENDMENTS TO FISCAL YEAR 2022 ADOPTED OPERATING BUDGET

Chair Gordo provided introductory comments, Matthew Hawkesworth, Director of Finance, introduced Timothy Park, Budget Administrator, who provided a PowerPoint presentation and responded to questions.

Councilmember Williams expressed that this is a good report with good results.

Chair Gordo asked for clarification on the gap between the appropriated and the unappropriated funds. Mr. Hawkesworth stated the delta is the $2.7 M to the General Fund and the $2.2 M to the power fund. Chair Gordo also asked for an explanation on the $900,000 increase in legal costs to the City Attorney's budget. Michele Bagneris, City Attorney/Prosecutor, stated that the increase was due to expenditures for large matters, Mr. Hawkesworth added the increase in Fiscal Year (FY) 2022 lead to the recommended increase for FY2023.

Following discussion, it was moved by Councilmember Williams, seconded by Councilmember Kennedy, to approve the staff recommendation, and forward the item to the City Council for consideration:

AYES: Councilmembers Williams, Kennedy, Chair Gordo
NOES: None
ABSENT: Vice Mayor Wilson
ABSTAIN: None

JOINT ACTION: FISCAL YEAR 2022-2023 INVESTMENT POLICY AND INVESTMENT STRATEGY

Chair Gordo provided introductory comments and asked if there had been any changes to the City's investment policy, Matthew Hawkesworth, Director of Finance, stated the only change, approved by the City Council was the addition of the environmental social and governance component.

Councilmember Kennedy asked if diversification was clearly spelled out in the agenda report. Mr. Hawkesworth mentioned that the City's investment policy focuses first on safety, second on liquidity, and third in yield. Making the City's investment strategies different than personal portfolios that would require spelling out diversification.

Chair Gordo added that it was important of the Public to understand that as a public agency the City leads with the core principle to protect the underlying investment. The City's investment portfolio is diversified as possible while staying within the State of California's investment parameters.

Following discussion it was moved by Councilmember Williams, seconded by Councilmember Kennedy, to approve the staff recommendation, and forward the item to the City Council for consideration:

AYES:	Councilmembers Williams, Kennedy, Chair Gordo
NOES:	None
ABSENT:	Vice Mayor Wilson
ABSTAIN:	None

ADJOURNMENT

On the order of the Chair, the special meeting of the Finance Committee was adjourned at 3:34 p.m.

Victor M. Gordo

Mayor Victor Gordo, Chair
Finance Committee

ATTEST:

Gloria Acevedo
Recording Secretary