

**CITY OF NEWPORT BEACH
CITY COUNCIL FINANCE COMMITTEE
MINUTES**

The Finance Committee met at 2:00 p.m. on Monday, November 8, 2010, in the Council Conference Room, 3300 Newport Blvd., Newport Beach, California 92663.

I. ROLL CALL

Present: Mayor Keith Curry, Mayor Pro Tem Mike Henn (Chair) and Council Member Leslie Daigle

Staff present: City Manager Dave Kiff, Assistant City Manager Dana Smith, Assistant to the City Manager Rob Houston, Administrative Services Director Tracy McCraner, Deputy Administrative Services Director Dan Matusiewicz, and Administrative Coordinator Tammie Frederickson

II. APPROVAL OF MINUTES

The minutes for the Finance Committee meeting of October 11, 2010, were approved as submitted.

III. PUBLIC COMMENTS

There were no public comments at this time.

IV. DISCUSSION/ACTION ITEMS

A. CIVIC CENTER BOND DOCUMENTS

Administrative Services Director Tracy McCraner and City Manager Dave Kiff previewed the presentation going to the November 9, 2010, City Council meeting for authorization of the Civic Center financing documents. A page-by-page review by the Committee resulted in suggested revisions to clarify and enhance the information in the presentation. Some of the suggestions revisions included: Mayor Pro Tem Henn requested the addition of a reference to the City's adopted policy of not allowing General Fund contributions to exceed five percent; Council Member Daigle recommended opening and closing the presentation with the message about the strong credit rating the

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administration office of the Administrative Services Department**

City received by the rating agencies; Mayor Curry cautioned on the use of proper financing terminology.

Mr. Kiff noted that final approval for the Civic Center construction will be on the January 25, 2011, Council meeting agenda.

B. INVESTMENT STREAMLINING UPDATE

Mayor Curry recused himself during discussion on this agenda item.

Deputy Administrative Services Director Matusiewicz reported that custodial consolidation was completed on November 2, 2010, with all securities transferred to Bank of New York. To further streamline, an RFP was issued to the five investment advisors for management of the investment portfolio as well as the bond proceeds. Responses to the RFP are due back November 22nd and Mr. Matusiewicz expects to report back to the Finance Committee in January with a recommendation on further consolidating where there are operational efficiencies or reduced fees in investment management.

V. MATTERS WHICH A COMMITTEE MEMBER MAY WISH TO PLACE ON A FUTURE AGENDA

The next meeting will be January 10, 2011. The agenda will include a discussion with the PERS Actuary and a presentation on the Hoag bond refinancing. Council Member Daigle asked that the discussion with the PERS Actuary address trends on how many employees actually retire at 55 versus the cost to offer the benefit at 55.

VI. ADJOURNMENT

The Finance Committee adjourned at 2:58 p.m.

Filed with these minutes are copies of all material distributed at the meeting.

Attest:

Tracy M. McCraner
Administrative Services Director

Date

All documents distributed for this meeting are available in the administration office of the Administrative Services Department