1. Call to Order
Mayor Gutierrez called the meeting to order at 3:45 p.m. The following were in attendance at the meeting:

Subcommittee Members:
Dr. Yxstian Gutierrez, Mayor
Ulises Cabrera, Council Member

Staff Members:
Marshall Eyerman, Chief Financial Officer
Allen Brock, Assistant City Manager
Brian Mohan, Financial Resources Division Manager
Dena Heald, Financial Operations Division Manager
Brooke McKinney, Treasury Operations Division Manager
Michael Wolfe, Public Works Director
Rina Galit, Willdan Consultant
Bob Quaid, Willdan Consultant
Sharon Goodale, Management Analyst, FMS Administration
Mayra Gonzalez, Management Aid, Financial Resources

2. Public Comments
None

3. Approval of Minutes:
Action: Minutes of 09/24/19 approved.

4. A. Accept the Action to Move Future Finance Subcommittee Meetings for November and December 2019
CFO, Marshall Eyerman, discussed proposed Special Meetings for November and December to avoid interference with the upcoming November and December holidays while still accommodating necessary discussion on potential Finance Subcommittee items. Addressing this matter will also insure that the time and dates are identified in advance for public noticing.

Action: Motion Passes to approve moving the Finance Subcommittee Meeting date in November 2019 from November 26, 2019 to November 20, 2019 and Recommended Working with the City Clerk’s Office to select an alternate date to hold a Special Meeting of the Finance Subcommittee in December 2019 in lieu of the Regular Meeting of the Finance Subcommittee, which would fall on a holiday, December 24th.

4 B. Public Hearing for the Annual Action Plan for Program Year 2020/21 and to adopt 2020/21 Objectives and Policies
Report given by CFO, Marshall Eyerman on the City’s annual process for distribution of Community Development Block Grants, HOME funds, and the Emergency Solutions grants for the 2020/21 program year. The process kicked off, as of 10/22/19 and culminates with the submission to HUD for those grants, which is generally by or about May 15, 2020. The
Objectives and Policies being presented is the first step of that program year process. The process we will follow is the same path as we have done historically, the only modification that we have looked at is with regards to the CDBG minimum amount, we are looking at potentially asking for minimum grant amounts to be $15,000 with the caveat that this is just a request, it is not a requirement, because it is the City Council’s consideration and the Finance Subcommittee’s consideration on the dollar amounts for those sub recipients, but for agencies to comply with a lot of the auditing requirements through HUD, a smaller grant amount can eat up the entire grant just by complying with HUDs requirements. One thing we also wanted to point out is on page 4 of the staff report, this will give you the preliminary dates for this process.

**Action:** Item is Recommended to move forward for Council Review at the November 5th City Council Meeting.

4  C. Public Hearing to Adopt Substantial Amendment No. 1 to the Fiscal Year 2019/20 Action Plan

Report given by CFO, Marshall Eyerman on the Substantial Amendment No.1 to the fiscal year 2019/20 Action Plan. This current plan year has realized some savings from prior projects that were funded through CDBG. We are looking to reprogram those savings of $362,105 and reprogram those dollars in 2019/20 to continue to focus on the effort to improve some of the streets by continuing with the same intent of what we had with the prior money. The funding that would go to street projects has been addressed in the five-year plan of CDBG and SB1 projects.

**Action:** Recommended to move forward for Council Review at the November 5th City Council Meeting.

4  D. Courtyards at Cottonwood Funding Resolution and Site Control

Report given by CFO, Marshall Eyerman on the potential project at Indian St. and Cottonwood Ave., called the Courtyards at Cottonwood. Staff has been working to design a potential project by going through different land use items. At the October 10, 2019, Planning Commission Meeting, the Planning Commission voted 7-0 to move forward with the land use approvals. One of the items that is changing is the project is going from an R-5 to an R-10.

**Action:** Recommend to move the item forward for Council Review.

Advisory Items:

5  A. Receive and File the Quarterly Investment Report for Quarter Ended, September 30, 2019, In Compliance with the City’s Investment Policy

Report given by CFO, Marshall Eyerman. Our quarterly investment report is being brought forward to make sure that you are aware of where we stand with our investments. The biggest item that we are seeing is as the U.S. Federal Reserve has reduced interest rates.
As a result, we will see those impacts to our interest earnings and will have to deal with that, so page two of the report on this item shows that our LAIF return dropped from 2.341% to 2.28%, so we are seeing minor modifications. These are the adverse impacts when the Fed makes any adjustments to reduce interest rates. Therefore, we might see some interest earning reductions. Otherwise this sets forth the report from our consultant and gives you an idea of where our investments stand today.

5 B. Approve Amendments to Multiple City Policies

This item was pulled by Staff for further review.

5 C. Receive the Annual AB1600 Compliance Report for Fiscal Year 2018-19

Report given by CFO, Marshall Eyerman. This item is the annual AB1600 Compliance Report on the development impact fees. We provide this report to show the funds and activities within in the accounts. Looking at page 2 of the report, you’ll see the list of our development impact fee allocations, it starts with the beginning balance; receipts; disbursements for projects; any transfers in, the debt service and then interest earnings. One of the item is the police facilities, which is still a negative $4.3 million. This item is negative because of the debt service for the public safety building. They have to pay debt service, but the development impact fee (DIF) has not off-set that amount.

5. Chief Financial Officer Comments

None

6. Council Member Comments

None.

7. Adjournment

Meeting adjourned at 4:48 p.m.
## Prior Meeting Attendance

<table>
<thead>
<tr>
<th>Board Member</th>
<th>DATE OF MEETING</th>
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<tbody>
<tr>
<td>Mayor Gutierrez</td>
<td>NQ</td>
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<tr>
<td>Council Member Cabrera</td>
<td>NQ</td>
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</tbody>
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- X – Present
- E – Excused
- A – Absent
- NQ – No Quorum
- SM – Special Meeting
- NM – No Meeting