



**MINUTES**  
**FINANCE ADVISORY COMMITTEE**  
**REGULAR MEETING**  
**TUESDAY DECEMBER 19, 2023**  
**6:00 PM**  
**CITY HALL UPSTAIRS CONFERENCE ROOM**  
**420 CAPITOLA AVENUE, CAPITOLA, CA 95010**

**CALL TO ORDER AND ROLL CALL**

Committee Members Present: Vice Mayor Kristen Brown, Councilmember Alexander Pedersen, Chairperson Michelle Coffman, Laura Alioto, Anthony Rovai

Committee Members Absent: Michael Lavigne – Resigned

**ORAL COMMUNICATIONS**

Gorin Klepich, resident, spoke about graffiti and gang signs in the men’s restroom at Jade St. park.

**OTHER BUSINESS**

None

<b>Topic</b>
<p><b>A. Approval of Minutes – Meeting of Nov. 7, 2023</b> Minutes moved by Councilmember Pedersen and seconded by committee chair Michelle Coffman. Minutes unanimously approved.</p>
<p><b>B. 2024 Meeting Schedule</b> Schedule option 1 moved by Vice Mayor Brown and seconded by committee member Rovai. The committee unanimously approved the 2024 meeting schedule with regular meetings scheduled Jan. 16<sup>th</sup>, Mar. 19<sup>th</sup>, May 21<sup>st</sup>, July 16<sup>th</sup> Sept. 17, and Nov. 19<sup>th</sup>. An additional special budget meeting may be scheduled if necessary.</p>
<p><b>C. FY 2023-24 1<sup>st</sup> Qtr. Budget vs. Actuals Update</b> Staff provided an updated report that included actual sales tax and TOT revenue amounts through Sept. Sales tax is down \$199,000, TOT is up \$111,000 and parking citations down \$89,000 causing revenues to be slightly below budget projections.</p>
<p><b>D. TOT Audit Update</b> Staff reported that Beach House Rentals (BHR) owner Dede Harrington entered a plea agreement in her criminal case. The case involved over \$1 million in claims from 134 victims, including the City and resulted in the City receiving \$87,612 in outstanding TOT and \$312,000 distributed to the remaining 133 victims. The City Attorney’s Office has reached out to BHR’s attorney for next steps with their appeal hearing regarding paying penalties &amp; interest.</p>
<p><b>E. FY 2023-24 1<sup>st</sup> Quarter Investment Report</b> Staff reported the following balances as of Sept. 30, 2023:</p> <ul style="list-style-type: none"><li>➤ Local Agency Investment Fund (LAIF) - \$8 million</li><li>➤ Wells Fargo - \$2.1 million</li><li>➤ Investments - \$4.6 million</li><li>➤ PERS Retirement Trust - \$1.4 million</li><li>➤ Other Post Employment Benefits (OPEB) Trust - \$608,000</li></ul>

**F. Discussion of Items for Next Agenda**

Appointment of Chairperson and Vice Chairperson, FY 2024-25 budget prep and schedule, TOT audit update

**ADJOURNMENT:** Chairperson Coffman adjourned the meeting at 6:25 PM.