



MINUTES
FINANCE ADVISORY COMMITTEE
SPECIAL MEETING
TUESDAY MAY 20, 2025
6:00 PM
CITY HALL COMMUNITY ROOM
420 CAPITOLA AVENUE, CAPITOLA, CA 95010

CALL TO ORDER AND ROLL CALL

Chairperson Rovai called the meeting to order at 6:03 PM.

Committee Members Present: Councilmember Margaux Morgan, Chairperson Anthony Rovai, Vice Chairperson Matt Arthur, Keith Cahalen, Emeline Nguyen, Leslie Neilsen

ORAL COMMUNICATIONS

None

OTHER BUSINESS

None

Topic
<p>A. Approval of Minutes – Meeting of May 13, 2025</p> <p>Minutes moved by Council Member Morgan, seconded by Committee Member Neilsen. Minutes unanimously approved.</p>
<p>B. Capital Improvement Program (CIP) Overview</p> <p>Public Works Director Kahn provided an overview of the seven active capital projects totaling approximately \$11 million. Director Kahn also reviewed the project funding sources that include \$9.1 million in grant funding and \$1.9 million of general fund.</p>
<p>C. Annual adoption of the City Investment Policy</p> <p>Staff provided an overview of the City investment policy. After a brief discussion, the committee recommended adopting the FY 2025-26 City Investment Policy without any changes. However, the FAC requested a review of the policy during the fiscal year.</p>
<p>D. FY 2025-26 Proposed Budget</p> <p>Staff provided an update on the FY 2025-26 Proposed Budget which included an overview of ongoing revenues and expenditures and a review of proposed contract services. The key items discussed by the committee included:</p> <ul style="list-style-type: none">• Measure Q – Two parks maintenance workers, but follow-up in future budgets if funds can supplement current expenditures.• Measure S – Repay general fund \$856,000 plus 4.25% interest - \$165,000 annually until paid.• Parking pay station maintenance and repair plan: phase out number of pay stations• Countywide Radio Project: \$45,000 – ½ SLESF funds and ½ general fund, reevaluate annually during budget process• Reserve fund balance strategy – utilize FEMA / Cal OES reimbursements to return to target balances.

- Parametric insurance: \$20,000 – add to existing coverage

In summary, the FAC supported the above staff recommendations, however, they deferred making any recommendations to the City Council regarding contract services until further review. Staff will present additional follow-up information to the FAC during the regular meeting on June 17th.

E. Wharf Master Plan

Staff presented an overview of the seven conceptual layout and use plans for the Capitol Wharf and reminded the committee about the wharf masterplan survey.

F. Discussion of Items for Next Agenda

FY 2025-26 Proposed Budget continued discussion including a review of contract services and the FY 2024-25 Community Services and Recreation reorganization.

ADJOURNMENT: Chairperson Rovai adjourned the meeting at 8:23 PM.