



## MINUTES FINANCE COMMISSION MEETING

Wednesday, February 26, 2025 - 5:00 p.m.  
City of Huntington Beach  
Council Chambers  
Huntington Beach, CA 92648

For the audio recording of the February 26, 2025, Finance Commission Special Meeting, please visit the City's website at: <https://huntingtonbeach.legistar.com/Calendar.aspx>

Chair Kelly Gates called the meeting to order at 5:00 p.m. and led the Pledge of Allegiance.

MEMBERS  
PRESENT: Kelly Gates, Chair  
Frank Lo Grasso, Vice-Chair  
David Cicerone, Commissioner  
Billy Hamilton, Commissioner

MEMBERS  
ABSENT: Scott Dowds, Commissioner  
Paul Geery, Commissioner

STAFF PRESENT  
Travis Hopkins, Acting City Manager  
David Cain, Interim Chief Financial Officer  
Serena Bubenheim, Assistant Chief Financial Officer  
Thuy Vi, Management Aide, Finance  
Shari Saraye, Buyer  
Jessica Castro, Accounting Technician

### PUBLIC COMMENTS

Joe Pulido spoke on the Long-Range Financial plan and the budget deficit.

Ken Inouye spoke on the infrastructure report and suggests the City create an independent ad hoc committee to address the issues on the report.

### CONSENT ITEMS

Approval of Meeting Minutes

**Motion: Moved by Commissioner Frank Lo Grasso and seconded by Commissioner Billy Hamilton to approve the Finance Commission Meeting Minutes dated January 22, 2025, as presented**

The motion carried by the following votes: 4-0-2

Ayes: Cicerone; Gates; Hamilton; Lo Grasso

Noes: None

Absent: Dowds; Geery

## **DISCUSSION ITEMS AND POTENTIAL RECOMMENDATIONS**

Interim Chief Financial Officer David Cain requested that items D1 and D5 be discussed out of order.

### D2. Long Range Financial Plan (LRFP) Overview – Cain

Jim Morris of Urban Futures Inc. (UFI) presented the long-range financial forecast model developed for the City. The model integrates economic data, historical financial data, and revenue/expense projections for the next 10 years.

### D3. Unfunded Pension Liability Letter to City Council – Hamilton

Commissioner Hamilton introduced a draft letter addressing the City's unfunded pension liability (UAL). The letter suggests exploring options such as shifting new employees to a defined contribution plan to address the growing liability.

**Motion: Moved by Commissioner Billy Hamilton and seconded by Commissioner Frank Lo Grasso to send the Unfunded Pension Liability letter to the City Council with minor revisions**

The motion carried by the following votes: 4-0-2

Ayes: Cicerone; Gates; Hamilton; Lo Grasso

Noes: None

Absent: Dowds; Geery

### D4. Friends of the Library Memo to City Council – Lo Grasso

Commissioner LoGrasso provided a draft memo regarding the Friends of the Library (FOTL). He noted that the FOTL is operating without an agreement with the City and recommends creating a Memorandum of Understanding (MOU) to formalize their operations.

**Motion: Moved by Commissioner Frank Lo Grasso and seconded by Chair Kelly Gates to send the Friends of the Library letter to the City Council**

The motion carried by the following votes: 4-0-2

Ayes: Cicerone; Gates; Hamilton; Lo Grasso

Noes: None

Absent: Dowds; Geery

### D6. Review of City Leases – Gates/Cicerone

Chair Gates requested a review of City-owned lease agreements by the City's lease officer at a future meeting.

D7. Arcis Outstanding Balance and Collection Efforts – Cicerone

David Cicerone asked for an update on the outstanding balance with Arcis, Meadowlark Golf Course operator. Acting City Manager Travis Hopkins stated that Arcis has been billed for the outstanding amount with late fees.

D8. Ad Hoc Committee to Review City Financial Reporting and Timing Schedule – Cicerone

Commissioner Cicerone proposed the formation of an ad hoc committee to review the City's financial reporting and improve transparency. The item was tabled for discussion at the March meeting.

D5. Review of Visit HB Operations – Cicerone

This item was tabled for discussion at a future meeting.

D1. Mid-Year Budget Adjustments - Cain

Assistant Chief Financial Officer Serena Bubenheim presented the City Council approved mid-year budget adjustments, including transfers from Community and Library Services, Fire Department, Public Works, and Police.

**COMMISSIONER COMMENTS**

Cicerone opened the comments by thanking everyone for their hard work and expressed desire to review financial information before it is presented to the City Council.

Gates thanked everyone for their efforts and appreciated the collaboration.

Hamilton thanked everyone for their work. He requested that Elan and The Breakwater apartments be put on the March meeting agenda so that he could discuss his findings.

**ADJOURNMENT**

**Motion: Moved by Commissioner Billy Hamilton and seconded by Commissioner Frank Lo Grasso to adjourn the meeting at 7:44 p.m.**

The motion carried by the following votes: 4-0-2

Ayes: Cicerone; Gates; Hamilton; Lo Grasso

Noes: None

Absent: Dowds; Geery

Submitted by:

David Cain, Interim Chief Financial Officer

By: Jessica Castro, Accounting Technician