



MINUTES FINANCE COMMISSION

Wednesday, September 25, 2024 - 5:00 p.m.
City of Huntington Beach
Council Chambers
Huntington Beach, CA 92648

For the audio recording of the September 25, 2024, Finance Commission Meeting, please visit the City's website at: <https://huntingtonbeach.legistar.com/Calendar.aspx>

Chair Billy Hamilton called the meeting to order at 5:00 p.m. and Commissioner Robert Sternberg led the Pledge of Allegiance.

MEMBERS
PRESENT: Billy Hamilton, Chair
Kelly Gates, Vice-Chair
David Cicerone, Commissioner
Jamie Craver, Commissioner
Frank Lo Grasso, Commissioner
Janet Michels, Commissioner
Robert Sternberg, Commissioner

MEMBERS
ABSENT: None
STAFF PRESENT Travis Hopkins, Assistant City Manager
David Cain, Interim Chief Financial Officer
Ashley Wysocki, Director of Community & Library Services
Thuy Vi, Management Aide, Finance
Shari Saraye, Buyer

PUBLIC COMMENTS

None.

Chair Billy Hamilton introduced David Cain, Interim Chief Financial Officer.

CONSENT ITEMS

Approval of Meeting Minutes

Motion: Moved by Commissioner Frank Lo Grasso and seconded by Commissioner Janet Michels to approve the Finance Commission Meeting Minutes dated July 24, 2024, as presented

The motion carried by the following votes: 7-0

Ayes: Cicerone; Craver; Gates; Hamilton; Lo Grasso; Michels; Sternberg

Noes: None

DISCUSSION ITEMS AND POTENTIAL RECOMMENDATIONS

D1. Real Estate Ad Hoc Committee Updates

a. Community Services Agreements with Friends of the Library Council on Aging and Sports Complex

Lo Grasso reported that the subcommittee met with with Travis Hopkins and Ashley Wysocki regarding the Community and Library Services agreements. The focus was on underutilized assets like the Library Theater, Sports Complex, Frisbee Golf Course, and Equestrian Center. The potential for generating more revenue from these assets was discussed. Lo Grasso requested more information on compensation that the City receives from these sites so that the subcommittee can discuss, make suggestions to the Finance Commission on how to generate more revenue and send the suggestions to the City Council. Hopkins stated that staff will be providing the agreements and is putting together a list of information to share with the subcommittee.

Lo Grasso and Sternberg asked, and Wysocki stated that revenue generated from events by the Community and Library Services Department go into the General Fund. Sternberg asked to see the expenses and revenues for each asset. Wysocki stated that the requested information could be provided to the Commission.

Lo Grasso asked to review the memorandum of understanding between the City and the Friends of the Library. Hopkins stated that staff is working on the agreement and will share the outline with the Commission.

Michels noted that our ad hoc committees are overlapping and veering off from their original intent. She suggested that we clarify the topics under each ad hoc committee and its members. Craver stated that the City Attorney had advised the Finance Commission that the ad hoc committees are formed for a specific purpose and then disbanded. We should review the committees, who is on them and renew their purpose so that they are not for a general purpose.

b. Equestrian Center Lease

Cicerone reported that the subcommittee met with the Equestrian Center's operator and toured the property. The operator is seeking an extension beyond her current 10-year lease, which expires in 2033. Concerns were raised about underutilization and the need for capital improvements. There was discussion of how a lease extension can be leveraged for capital improvements that would benefit both the City and the lessee.

Cicerone stated that the subcommittee will provide recommendations to the Commission to review.

c. Meadowlark Golf Course

Hamilton asked for an update on the receivables from the audit. Hopkins stated that Meadowlark paid \$122,000 of the \$413,968 outstanding balance. Approximately \$40,000 was adjusted based on the audit evaluation, and the City is continuing discussions with Meadowlark on the remaining balance.

Michels stated that a task force recommendation has been made by a private citizen and City staff will be making a recommendation to the City Council. Hopkins stated that staff will be sharing the subcommittee's recommendations with the Finance Commission. The City Manager's Office is working the City Attorney's Office and will form a community working group with members from this Commission, the Community and Library Services Commission, residents, golfers and a business to evaluate the future of the golf course with recommendations for ways to increase revenue while improving facilities.

COMMISSIONER COMMENTS

Cicerone requested monthly financial reports of the City's finances to provide better transparency for the public. He welcomed Cain and looks forward to working with him.

Lo Grasso thanked Hopkins for meeting with the subcommittee. He asked for early receipt of information related to City assets so that the subcommittee can prepare its recommendations to the Commission at the next meeting.

Sternberg welcomed Cain. He requested an update at the next meeting regarding the surfing competition coming to Huntington Beach for the 2028 Olympics.

Michels, Craver and Hamilton welcomed Cain.

Hopkins stated that the Chief Financial Officer recruitment is in process.

ADJOURNMENT

Motion: Moved by Commissioner Craver and seconded by Chair Hamilton to adjourn the meeting at 6:20 p.m.

The motion carried by the following votes: 7-0

Ayes: Cicerone; Craver; Gates; Hamilton; Lo Grasso; Michels; Sternberg

Noes: None

Submitted by:

Travis Hopkins, Assistant City Manager

By: Thuy Vi, Finance Management Aide