



MINUTES FINANCE COMMISSION MEETING

Wednesday, May 28, 2025 - 5:00 p.m.
City of Huntington Beach
Civic Center 1st Floor
Public Works Engineering Conference Room

For the audio recording of the May 28, 2025, Finance Commission Meeting, please visit the City's website at: <https://huntingtonbeach.legistar.com/Calendar.aspx>

Chair Gates called the meeting to order at 5:01 p.m. and Commissioner Lo Grasso led the Pledge of Allegiance.

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

MEMBERS Scott Dowds, Commissioner
ABSENT:

STAFF PRESENT Travis Hopkins, City Manager
Robert Torrez, Interim Chief Financial Officer
Skyler Barthold, Management Aide, Finance
Shari Saraye, Buyer

PUBLIC COMMENTS

No Public Comments

CONSENT ITEMS

Approval of Meeting Minutes

Motion: Moved by Commissioner Frank Lo Grasso and seconded by Commissioner Paul Geery to approve the Finance Commission Meeting Minutes dated April 23, 2025, as presented

The motion carried by the following votes: 5-0-1-1
Ayes: Cicerone; Edsell; Gates; Geery; Lo Grasso
Noes: None
Absent: Dowds
Abstain: Hamilton

We began with Item D4. then proceeded with items D1., D2., D3., and D5.

DISCUSSION ITEMS AND POTENTIAL RECOMMENDATIONS

D1. Financial Presentation Based Off Norfolk, VA - <https://www.norfolk.gov/5963/Balancing-Act>

The Commissioners interacted with the City of Norfolk, VA Balancing Act tool which provides a financial dashboard that the public can interact with online to observe the City's budget. The Commissioners liked the website but also acknowledged that starting with an integrated system could be a better option. The commissioners are observing options that would be helpful community tools that would assist in transparency on how the City has budgeted our expenditures.

D2. Elan and Breakwaters Apartments

The Commissioners discussed how the Elan and Breakwater Apartments are not generating enough cash flow for both buildings to service their debt. The Commissioners discussed the Elan Breakwater revenue bonds and requested that the Finance Department request the City Attorney to confirm whether the pledge of rent revenue to make housing revenue bond payments conforms to the Charter section 611 requirement that revenue bonds be approved by Huntington Beach voters. The Commissioners discussed directing the City of Huntington Beach staff to bring the Elan and Breakwater Apartments contract to the City Attorney's office for legal review.

D3. Demand Letter Recommendation Regarding Ongoing Delinquent Payments

Arcis, the property management company for Meadowlark Golf Course, owes the City of Huntington Beach a significant amount of money. Arcis's attorney has accused the City of charging compound interest and cited a California law, claiming the City did not properly invoice Arcis or notify them of the charges in a timely manner. Commissioners noted that Arcis's attorney is currently unreachable. The City Attorney will prepare a response to Arcis's claims. The Commissioners also discussed the possibility of finding a new property management company. The Finance Commissioners considered writing a letter to the City Council about the overdue payments but decided to first coordinate with the City Attorney before responding to Arcis's counter letter. The Commissioners requested to be notified when the City sends a demand letter to Arcis.

D4. Master Plan & Process – Discussion/ Presentation Regarding Meadowlark

Commissioner Cicerone invited golf course architect Arthur Schaupeter, who has not been contracted by the City, as the speaker to inform the Commissioners of potential avenues and opportunities in updating and renovating the Meadowlark Golf Course. The speaker explained that the first step would be creating a master plan, starting with a property analysis and followed by development planning. The Commissioners also discussed existing drainage problems at Meadowlark. The speaker estimated that creating the master plan would take 5 to 6 months and cost around \$40,000, plus an additional \$10,000 for travel expenses. If the master plan is approved, the next steps would include gathering more information from Meadowlark and holding public meetings to keep the community involved. The Meadowlark Taskforce plans to write a letter to the City Council to introduce them to the master plan process.

D5. Proposed Budget Review

Interim Chief Financial Officer Robert Torrez presented the Proposed Budget for Fiscal Year 2025/26. The budget is currently being finalized and will be submitted to the City Council on June 3, 2025. If adopted, it will take effect on July 1, 2025. Robert Torrez explained that the City has used pension bonds and prepayment strategies to reduce its pension debt and save on interest, aiming to lower long-term costs. The presentation included a review of the City's financial forecast. He also discussed a balancing strategy regarding not filling vacancies in specific positions to save costs.

COMMISSIONER COMMENTS

Commissioner David Cicerone has requested that we add the financial review of the Sports Complex and the Huntington Harbor Yacht Club to the next Finance Commission meeting agenda. He has also requested an update to the MOU for the Friends of the Library.

ADJOURNMENT

Motion: Moved by Commissioner Frank Lo Grasso and seconded by Commissioner Paul Geery to adjourn the meeting at 8:10 p.m.

The motion carried by the following votes: 5-0-2

Ayes: Cicerone; Edsell; Geery; Lo Grasso, Hamilton

Noes: None

Absent: Dowds, Gates

Submitted by:

Robert Torrez, Interim Chief Financial Officer

By: Skyler Barthold, Management Aide