



## MINUTES FINANCE COMMISSION

Wednesday, March 27, 2019 - 5:00 P.M.  
City of Huntington Beach  
Civic Center – Lower Level Conference Room #B-8  
2000 Main Street  
Huntington Beach, CA 92648-2702

Chair Sterud called the meeting to order at 4:58 p.m. and led the Pledge of Allegiance.

MEMBERS PRESENT: Sterud; Lo Grasso; Bunten; Romero; Hudson; Gledhill

MEMBERS ABSENT: Van Der Mark

STAFF PRESENT: Gilbert Garcia, Chief Financial Officer  
Behzad Zamanian, Chief Information Officer, Information Services  
Carol Molina-Espinoza, Finance Manager – Budget  
Dahle Bulosan, Finance Manager – Accounting  
Sunny Rief, Project Manager – Accounting  
Ian Wuh, Senior Accountant – Accounting  
Serena Bubenheim, Senior Financial Analyst - Budget  
Thuy Vi, Administrative Assistant, Finance  
Linda Wine, Administrative Assistant, Finance

**ORAL COMMUNICATIONS** – Dan Kalmick, Huntington Beach Planning Commissioner and IT Management Consultant, spoke in support of the Information Services Department.

**INTRODUCTION OF NEW COMMISSIONER** – Chair Sterud welcomed new Commissioner Stephanie Gledhill to the Finance Commission.

### **MINUTES**

**Motion: Moved by Bunten and seconded by Hudson to approve the Finance Commission Meeting Minutes dated February 27, 2019, as presented**

Ayes: Sterud; Lo Grasso; Bunten; Hudson; Gledhill

Noes: None

**Approved: 5-0-2 (Romero-Abstain, Van Der Mark-Absent)**

**DIRECTOR UPDATE** – Chief Financial Officer Gilbert Garcia provided an overview of the meeting presentation schedule: City's Comprehensive Annual Financial Report (CAFR) by auditor Davis Farr LLP; Information Services (IS) by Behzad Zamanian, CIO; FY 2018/19 Mid-Year Budget Update by Garcia and Dahle Bulosan, Finance Manager - Accounting; Sidewalk Vending Permit Fee by Garcia.

**PRESENTATION** – Jennifer Farr, partner at Davis Farr LLP, reviewed the audit results. Ms. Farr thanked City staff for their hard work and professionalism during the audit.

**PRESENTATION** – Zamanian reviewed the IS Department organizational chart and IS Services. He discussed his plans for IS's 2019/20 Budget.

Lo Grasso asked about the FY 2017/18 \$40,000 increase in the City's budget for Conferences and Training. Molina-Espinoza noted that the increase was Citywide and not just for IS.

Sterud and Lo Grasso asked about the City's existing miles of Fiber lines, and discussion ensued regarding using City fiber lines versus sharing with other cities or using vendors' fiber lines.

Sterud stated that he has spoken to other cities and IS vendors. He noted that Huntington Beach has a great reputation, and commended the IS Department for their work. Sterud suggested creating a joint powers entity with other cities for IT services.

**Motion: Moved by Sterud and seconded by Lo Grasso to request that the City Council do an RFP to research outsourcing IT Services while retaining City employees. This RFP would be presented to City Council.**

Ayes: Sterud; Lo Grasso; Romero; Hudson

Noes: Bunten; Gledhill

**Approved: 4-2-1 (Van Der Mark-Absent)**

Garcia gave a presentation on Sidewalk Vending Permit Fees. He presented a five city fee comparison for sidewalk vendors. He stated that staff recommends a Sidewalk Vending Permit Fee of \$268, which is a 100% cost recovery.

**Motion: Moved by Bunten and seconded by Hudson that the City Council be informed that the Finance Commission is in favor of the Sidewalk Vending Permit Fee.**

Ayes: Sterud; Lo Grasso; Bunten; Romero; Hudson; Gledhill

Noes: None

**Approved: 6-0 (Van Der Mark-Absent)**

Garcia and Dahle Bulosan gave a presentation on the City's CAFR. Bulosan noted the FY 2017/18 CAFR received an Unmodified (Clean) Audit Opinion from Davis Farr LLP, the City's audit firm.

Garcia gave a presentation on the FY 2018/19 Mid-Year Budget Update.

**DISCUSSION ITEMS AND POTENTIAL RECOMMENDATIONS** – Garcia stated that he would like to present the proposed changes to the Master Fee Schedule to the City Council in May 2019, and would like to bring those proposed changes to the Finance Commission for review prior to that. For the fee schedule review, the Finance Commission decided to form a three member Ad Hoc Sub Committee. Sterud volunteered, as did Commissioners Lo Grasso and Hudson. Garcia said he would provide an update to the Ad Hoc Committee prior to the next regularly scheduled meeting of April 24, 2019.

Chair Sterud recommended that the Finance Commission continue to meet with departments to review their budgets. He would like to meet with the City Manager's Department and asked that this be an Agenda Item on the May 22, 2019 Finance Commission Agenda.

**COMMISSIONER COMMENTS** – The Commission thanked Zamanian and the IS Staff for their presentation.

**ADJOURNMENT** – There being no further business, the meeting adjourned at 7:35 p.m.

Submitted by:

Gilbert Garcia, Chief Financial Officer

By: Linda Wine, Administrative Assistant, Finance Department