



CITY OF HUNTINGTON BEACH
FINANCE BOARD MINUTES
WEDNESDAY, OCTOBER 14, 2009 AT 6:00 PM
CIVIC CENTER, LOWER LEVEL, ROOM B-8

- 1) **CALL TO ORDER:** At 6:00 PM, Chair Falzon called the meeting to order.
Present: Vice Chair LoGrasso and Members: Corkett, Jones, and King
Absent: Members Garcia and Houston
Also Present: Bob Wingenroth, Director of Finance and Carrie Gonzales, Administrative Assistant
- 2) **PUBLIC COMMENTS:**
No public comments were made.
- 3) **APPROVAL OF MEETING MINUTES:**
September 9, 2009 – Vice Chair LoGrasso made a motion to approve the minutes as amended, seconded by Member Corkett. The motion was approved 4-0-3. (Member Jones abstained and Members Garcia and Houston absent.)
- 4) **STAFF REPORTS/BUSINESS ITEMS:**
 - a) **Chairman's Update**
Chair Falzon mentioned he and Vice Chair LoGrasso attended the September 21 City Council study session on the updated Long-Term Financial Plan and the proposed relocation of the Heil fire station. Approximately 45 minutes of the study session was spent on discussion of the cost and what funds would be used for the relocation of the fire station, and 20 minutes was spent discussing the PowerPoint presentation for the long-term financial plan.

Chair Falzon led a brief discussion on the recent Senior Center court ruling not to allow using Pacific City assessment funds for the project.
 - b) **Strategic Plan Update**
City's long-term financial plan – Bob Wingenroth led a discussion on the long-term financial plan presentation given at the September 21 City Council Study Session. He also mentioned this presentation was given to all the Employee Associations. This presentation showed the city has a challenge over the next five years to reduce spending. The Associations were informed the City's FY 2009/10 is balanced, the CalPERS pick-up was discussed, they were informed the City would be continuing to keep the current vacant positions open, and the possible closure of City Hall the last week of December.

Bob Wingenroth mentioned the City received their Triple Flip money from the State. It was 1.3 million less than what was expected.

Bob Wingenroth led a discussion on the State borrowing 5 million from the City's property tax. The State will be paying the City back over 3 years. The City has joined a program with several other California cities called California Statewide Communities Development Authority (California Communities) Proposition 1A Securitization Program. The group will issue bonds to investors. The investors will absorb the risk of the State. Also from the City's RDA Fund, the State will have a 5.4 million take-a-way this year and 1.1 million next year. The State does not have to repay these funds.
 - c) **Annual Report**
Chair Falzon led a discussion on this year's annual report. Some of the suggested points to discuss will be:



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- Board's budget reduction suggestions to the City Administrator
- Financial Reserve Policies
- Long-Term Financial Plan
- Monitored the Cost Allocation/ Fee Study
- Monitored the Budget
- Prevailing Wage started on a pilot basis

Chair Falzon will have a draft version of the annual report to distribute at the next meeting. He asked if staff would see if they could add the Annual Report to the City Council's study session calendar in February.

5) OPEN/CLOSED ITEM LIST:

Item 2009-02 – The Board asked if staff would update this list. Items 2009-03, 04, and 06 were closed.

6) COMMENTS FROM BOARD MEMBERS:

Member Jones asked if Bob Wingenroth had heard if the HB Fire Department was merging with the City of Fountain Valley Fire Department. Bob Wingenroth said that discussion has been placed on hold.

7) INFORMATION ITEMS:

Chair Falzon asked the Board if they would try to attend the City Council study session on January 15, 2010, regarding the CalPERS rates and their implications.

Chair Falzon asked Bob Wingenroth if the City has considered calendaring the expenditures in a monthly or quarterly budget vs. annual report. Bob Wingenroth stated the Finance Department currently produces the monthly report, which has the current budget status however, it does show a monthly allotment of revenue and expenditures.

Vice Chair LoGrasso asked if the City is thinking of ways to increase income. With the current revenue sources the City has they need to make sure they are getting what they have projected. Bob Wingenroth stated the Economic Development Department is working on bringing new businesses to the City. The Board asked staff if they would invite Economic Development to a future meetings to discuss this.

ADJOURNMENT:

Member King made a motion at 7:55 PM to adjourn the meeting to Thursday, November 12, 2009, at 6:00 PM in meeting room B-7, seconded by Vice Chair LoGrasso. The motion was approved 5-2. (Members Garcia and Houston absent)

Respectfully submitted by:
Bob Wingenroth, Director of Finance
Secretary to the Finance Board