



BUDGET AND FINANCE COMMISSION SUMMARY MINUTES

Regular Meeting

Monday, August 26, 2024 - 6:00 P.M.

**Solana Beach Mayor's Conference Room
635 S. Highway 101, Solana Beach, CA 92075**

1. Call To Order And Roll Call:

Chairperson Lyle called the Budget and Finance Commission (Commission) Meeting to order at 6:01 p.m. on August 26, 2024.

Budget & Finance Commissioners:

Present: Jeff Lyle – Chair
Christopher Maulik
Ken Zito
Larry Marmon

Staff Members/Other: Alyssa Muto, City Manager
Rachel Jacobs, Finance Director/Treasurer
Kristine Pratt, Senior Accountant
Genny Lynkiewicz, Chandler (via Teams)
Angela Tang, PARS (via Teams)
Jennifer Meza, PARS (via Teams)
Dennis Mullins, PARS (via Teams)

2. Oral Communications - Public:

Chairperson Jeff Lyle opened this portion of the agenda which provides an opportunity for members of the public to address the Commission on items not appearing on the agenda. There were no members of the public to speak to any item not on the agenda.

3. Oral Communications – Commission Members:

Chairperson Jeff Lyle asked Commission members if they wished to address the Commission on items not appearing on the agenda. No members of the commission wished to speak to any item not on the agenda.

4. Approval of Meeting Minutes – June 24, 2024

Meeting minutes for June 24, 2024 were unanimously approved.

5. Chandler & PARS Investment Update

Genny Lynkiewicz from Chandler presented first. She started by giving an economic update and then went into the city's account profile. Larry Commission member Marmon asked which funds these were, and Finance Director Rachel Jacobs replied that these were the City's general cash funds. Genny proceeded with the presentation and stated that they were buying longer year securities as rates start to go down. The city also had a gain of \$319,000 (including interest) over the course of the quarter. Genny also noted that the funds have outperformed the benchmark over the life of the account. Genny answered questions from commission members regarding maturity dates and historical contributions and deductions and then ended her presentation.

Angela Tang, Jennifer Meza, and Dennis Mullins presented on the PARS 115 trust investments. Jennifer first talked about the switch from Highmark to PFM Asset Management, and then Jennifer presented a breakdown of the two 115 trust accounts and what they are. As of 2023 (latest report date), OPEB was 39% funded, and as of 2022 (latest report date), the pension account was 69% funded. Dennis then went over the investment performance review. He started by stating the investments are 50% stocks and 50% bonds held as funds. He pointed out that the City could consider changing the risk level of the portfolio. Commissioner member Zito asked how many basis points the city was paying in fees? Dennis answered 35 basis points for OPEB and 25 basis points for PARS. Dennis finished his presentation and asked if there were any more questions. Chairperson Lyle asked if Dennis could send us fact sheets that Highmark used to create, and Dennis said he would send those.

6. SEA Reconciliation Update

Finance Director Rachel Jacobs presented the SEA Reconciliation Update presentation. Commission member Zito voiced his concerns regarding the cost to the general fund. There were no other questions or comments regarding the presentation.

7. City Manager Roundtable

City Manager Alyssa Muto gave updates on the following projects:

- Marine Safety building
- La Colonia Master Plan Update
- Lomas Santa Fe East Project
- Glenmont Park
- Rail Realignment

9. ADJOURNMENT

The meeting was adjourned at 8:08 pm.

Respectfully Submitted,



Rachel Jacobs, Finance Director/Treasurer