CITY OF PASADENA
MEETING OF THE FINANCE/AUDIT COMMITTEE MINUTES
PASADENA CITY HALL
100 NORTH GARFIELD AVENUE
CITY HALL COUNCIL CHAMBER S249
FEBRUARY 09, 2026
SPECIAL MEETING

OPENING Chair Gordo called the special Meeting of the Finance/Audit Committee to order at 3:40 p.m.

ROLL CALL: Mayor Victor M. Gordo (Chair)
Councilmember Rick Cole
Councilmember Tyron Hampton (Absent)
Councilmember Gene Masuda

Staff: Miguel Márquez, City Manager
Brenda Harvey-Williams, Assistant City Manager
Matthew Hawkesworth, Assistant City Manger
Karin Schnaider, Director of Finance
Arnold Lee, Chief Assistant City Attorney
Alex Souto, Deputy City Manager
Armine Trashian, Controller
Vic Erganian, Deputy Finance Director/City Treasurer
Tim Park, Budget Administrator
David Reyes, General Manager Water and Power
Mark Jomsky, City Clerk
Tiffany Jacobs-Quinn, Director of Human Resources
Vanna Lesh, Benefits Administrator
Joaquin Siques, Director of Transportation
Greg de Vinck, Director of Public Works
Brad Boman, Water Operations Manager
Gary Takara, Engineering Manager
Gloria Acevedo, Recording Secretary

Guests: Jens Weiden, Chief Executive Officer, Rose Bowl Operating Company (Remote)
Derek Doolittle, General Manager, Rose Bowl Operating Company (Remote)
Mo Salama, Chief Financial Officer, Rose Bowl Operating Company (Remote)
Eric Tashman Norton Rose Fullbright US LLP (Remote)
Bobby Cheung Norton Rose Fullbright US LLP (Remote)
David Leifer Norton Rose Fullbright US LLP (Remote)

Mike Ross, Chief Executive Officer, Pasadena Center Operating Company (Remote)
Eric Happe, Director of Finance, Pasadena Center Operating Company (Remote)
George Falardeau, Executive Director, Pasadena Community Access Corporation (Remote)
Chris Miller, Chief Operating Officer, Pasadena Community Access Corporation (Remote)

APPROVAL OF MINUTES: It was moved by Councilmember Masuda, seconded by Councilmember Cole, to approve the November 24, 2025, Special Meeting of the Finance Committee meeting minutes. (Motion Unanimously carried) (Absent: Councilmember Hampton)

NEW BUSINESS:

JOINT ACTION OF THE CITY COUNCIL AND THE PASADENA PUBLIC FINANCING AUTHORITY: APPROVE THE CERTIFICATES OF PARTICIPATION SERIES 2026A

Chair Gordo introduced the item, and Karin Schnaider, Director of Finance, introduced Vic Erganian, Deputy Finance Director/City Treasurer, who provided a PowerPoint presentation and responded to questions.

Councilmember Masuda thanked Mr. Erganian for his work on the subject and asked what happened to the realized savings. Mr. Erganian shared that the funds are transferred to the general fund where staff later present recommendations to the City Council during budget presentations.

Councilmember Cole expressed his gratitude to staff for obtaining the savings.

Chair Gordo echoed the comments of Councilmember Masuda and Councilmember Cole.

It was moved by Councilmember Masuda, seconded by Councilmember Cole, to approve staff's recommendation and forward the item to the City Council for consideration. (Motion Unanimously carried) (Absent: Councilmember Hampton)

ADOPT A RESOLUTION APPROVING AN UPDATED POLICY FOR REIMBURSEMENT FOR TRAVEL AND EXPENSES FOR ELECTED OFFICIALS AND RE-ADOPT WITHOUT CHANGES A POLICY FOR REIMBURSEMENT FOR TRAVEL AND EXPENSES FOR OFFICIALS APPOINTED BY THE CITY COUNCIL OF THE CITY OF PASADENA AS MEMBERS OF COMMISSIONS OR COMMITTEES

Chair Gordo introduced the item, and Miguel Márquez, City Manager, introduced Alex Souto, Deputy City Manager, who provided a PowerPoint presentation and responded to questions.

Chair Gordo asked for clarification on the security reimbursable allowance that takes effect on July 1, 2026. Mr. Souto shared moving forward the recommendation is to include the hardware itself.

Councilmember Cole expressed concern that the current direction related to the security allowance is lacking clarity, such is how are the needs going to be assessed, and what happens to an installed system after the Councilmember's term expires.

Chair Gordo gave direction to staff to work with the Pasadena Police Department and/or the Department of Information Technology to develop a process where either department could provide an assessment of the Councilmember's needs, and provide eligible vendors. Staff will return to the Finance Committee with security options prior to moving the item to the full City Council.

Councilmember Cole recommended for staff to return to the February 23, 2026, Finance Committee Meeting with a defined process for the security allowance, the motion was seconded by Councilmember Masuda. (Motion Unanimously carried) (Absent: Councilmember Hampton)

APPROVE AMENDMENTS TO FISCAL YEAR 2026 CAPITAL IMPROVEMENT PROGRAM

Chair Gordo introduced the item, and Greg de Vinck, Director of Public Works, provided a PowerPoint presentation and responded to questions.

Councilmember Cole requested an explanation of the safety augmentation fund. Ms. Schnaider shared that the fund is available to the Police Department for special projects as an annual special revenue contribution from the state, tied to property taxes.

Chair Gordo provided an overview of how the operating budget presentations are conducted at various City Council Committee meetings.

It was moved by Councilmember Cole, seconded by Councilmember Masuda, to approve staff's recommendation and forward the item to the City Council for consideration. (Motion Unanimously carried) (Absent: Councilmember Hampton)

RECEIVE AND FILE The FISCAL YEAR JUNE 30, 2025, ANNUAL FINANCIAL REPORTS

Chair Gordo introduced the item and Karin Schnaider, Director of Finance, introduced Armine Trashian, Controller, who provided a PowerPoint presentation and responded to questions.

Councilmember Cole suggested a comprehensive annual review of these reports, as they state facts on how the budget was spent. He expressed concern about revenues not keeping up with inflation, suggested a strong focus on increasing revenue without raising rates and taxes for residents is needed, and shared the importance of investing in placemaking.

Councilmember Cole requested clarification on the following topics related to the Annual Comprehensive Financial Report:

- What are the efforts to raise revenues without raising fees and taxes, particularly through Economic Development Strategic planning?
- Please explain the change in Assigned and Unassigned Fund Balance in the General Fund.
- Please explain the $14 million land purchase stated on page 11.
- Pasadena Water and Power (PWP) completed approximately $22.4 million in capital projects. Is this sufficient investment in capital for the utilities.
- On page 90 (note 14: accumulated fund deficits), the deficit in the Health fund was attributed to denied claims by FEMA for COVID-19 reimbursement claims. Is there a concern that FEMA could deny Eaton Fire claims?
- There appears to be a change in compensated absences reported in the General Fund (page 120).
- In past audits, the Workers' Compensation fund balance was negative. Has this been addressed?
- Please explain the Other Post Employment Benefit (OPEB) subsidy.
- Has the City evaluated the costs for leasing versus purchasing office space?

Staff will provide a Memo to the City Council with responses.

Councilmember Masuda inquired about efforts to improve the local economy without the need to incur additional costs to residents and businesses.

Chair Gordo shared the establishment of the Housing, Homelessness and Planning Committee, created to allow the Economic Development Committee time to focus on methods to grow our local economy. He also shared some of the challenges that come along with such planning and spoke on how the City is in better shape than other cities with similar assets.

It was moved by Councilmember Cole, seconded by Councilmember Masuda, to approve staff's recommendation and forward the item to the City Council for consideration. (Motion Unanimously carried) (Absent: Councilmember Hampton)

INFORMATION ONLY: **FY 2026 CAPITAL IMPROVEMENT PROGRAM – SECOND QUARTER MONITORING REPORT**

The item was moved to February 23, 2026, Finance Committee meeting.

ADJOURNMENT: On the order of the Chair, the special meeting of the meeting of the Finance/Audit Committee was adjourned at 5:00 p.m.

Victor M. Gordo

Mayor Victor M. Gordo, Chair
Finance/Audit Committee

Gloria Acevedo

Gloria Acevedo
Recording Secretary