

CITY OF PASADENA
Successor Agency to the
Pasadena Community Development Commission Minutes
January 27, 2025 –5:00 P.M.
City Hall Council Chamber

Pursuant to Resolution No. 10110, the meeting was held and convened remotely via videoconference/teleconference in compliance with the Brown Act.

OPENING: Chair Gordo called the special meeting of the Board of Directors to order at 6:03 p.m.

ROLL CALL: Chair Victor M. Gordo
Commissioners: Vice Chair Jessica Rivas
Member Rick Cole
Member Tyron Hampton
Member Justin Jones
Member Jason Lyon
Member Steve Madison
Member Gene Masuda

Staff: Executive Director Miguel Márquez
General Counsel Michele Beal Bagneris
Secretary Mark Jomsky

PUBLIC COMMENT No one appeared for public comment.

MINUTES APPROVED December 16, 2024
December 23, 2024
December 30, 2024
January 6, 2025
January 13, 2025

It was moved by Member Cole, seconded by Member Madison, to approve the minutes as submitted.

AYES: Members Cole, Hampton, Jones, Lyon, Madison, Masuda, Vice Chair Rivas, Chair Gordo
NOES: None
ABSENT: None
ABSTAIN: None

FISCAL YEAR JUNE 30, 2024 ANNUAL FINANCIAL REPORTS
(Finance Dept.)

Recommendation: It is recommended that the City Council and/or the Successor Agency to the Pasadena Community Development Commission review, discuss, and file the following reports for the year ended June 30, 2024:

- A. Annual Comprehensive Financial Report
- B. Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters

Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards (This replaces what was called the "Management Letter.")

- C. Pasadena Center Operating Company Financial Statements
- D. Rose Bowl Operating Company Basic Financial Statements
- E. Pasadena Community Access Corporation Financial Statements
- F. Pasadena Fire and Police Retirement System A Pension Trust Fund of the City of Pasadena, California Financial Statements
- G. City of Pasadena, California Air Quality Management District Fund Financial Statements
- H. Pasadena Housing Successor Pasadena, California Financial Statements
- I. City of Pasadena, California Foothill Workforce Development Board Financial Statements
- J. Independent Accountants' Report on Agreed-Upon Procedures Applied to Appropriations Limit Worksheets
- K. Independent Accountants' Report on Applying Agreed-Upon Procedures for review of Deferred Compensation
- L. The Auditors' Communications with the City's Finance/Audit Committee

Member Cole strongly urged the City Council to conduct a more thorough and extensive review of this matter, with a full discussion on the submitted financial documents. He emphasized the importance of understanding where funds are spent to better plan for the next fiscal year. In response to Member Cole's concerns, Mayor Gordo stated that the City Council and City staff reviews budgets and programs for City Departments and Operating Companies extensively during the budget process each year. City Manager Márquez noted that unlike normal circumstances, largely due to the Eaton Fire and the City's current disaster response efforts, the agenda report and financial statements were not reviewed by the Finance Committee but rather submitted directly to the City Council.

In response to Member Lyon's inquiry regarding a deficiency flagged by auditors, Matt Hawkesworth, Finance Director, reported that balance adjustments were made while auditors were performing a review resulting in the noted deficiency, which was later reconciled. Finance Director Hawkesworth stated that adjustments are a result of new government accounting standards and leases, and confirmed that once agencies become more familiarized with the pronouncements, less adjustments will be needed in the future.

In response to Mayor Gordo's inquiry regarding the financial audit and annual reports, Finance Director Hawkesworth clarified that the financial audits differ from performance audits and do not determine program effectiveness. He added that the Finance Committee generally reviews annual reports for specific programs/plans (i.e. CalPERS) before they are submitted to the City Council.

MOTION:

Following discussion, it was moved by Member Cole, seconded by Vice Mayor Rivas, to defer action on this item and refer the matter to the Finance Committee for a more comprehensive review and discussion.

In response to Member Cole's concerns, Member Madison noted that the City Council has had many robust discussions on the topic of the City's budget, which occurs throughout the year and during budget deliberations, expressed his support for referring this item to the Finance Committee for further review, but stated his opposition to delaying action on the staff's recommendation to receive and file. Member Lyon added that the City Council analyzes the appropriateness of City revenues and expenses during the budget process through several Council Committees, and noted that the proposed financial statements are an audit of the City's system of financing and internal controls, and supported the staff's recommendation.

SUBSTITUTE MOTION:

Following discussion, it was moved by Member Madison, seconded by Member Hampton, to approve the staff recommendation and refer the matter to the Finance Committee for further review.

AYES: Members Hampton, Jones, Lyon, Madison, Masuda, Vice Chair Rivas, Chair Gordo

NOES: Member Cole

ABSENT: None

ABSTAIN: None

On order of the Chair, the meeting of the Successor Agency to the Pasadena Community Development Commission adjourned at 10:15 p.m.

ATTEST:



Secretary



Victor M. Gordo, Chair
Successor Agency to the
Pasadena Community Development Commission