



BUDGET AND FINANCE COMMISSION SUMMARY MINUTES

Special Meeting

Monday, February 23, 2026 - 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 February 23, 2026.

Budget & Finance Commissioners:

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

Absent:

Staff Members/Other: Rachel Jacobs, Finance Director/Treasurer
Kristine Pratt, Senior Accountant (Via Teams)
Alyssa Muto, City Manager
Jennifer Meza, PARS (Via Teams)
Dennis Mullins, US Bank (Via Teams)
John McDowell, Chandler

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 – November 11, 2025

Meeting minutes for November 11, 2025 were unanimously approved.

5. Pars 115 Trust Investment Update

Jennifer Meza from PARS (attending remotely) started the presentation on the PARS 115 trust investment. She went over the basics of the 115 trust as well as the breakdown between the OPEB and pension portions of the trust. The OPEB portion is 64.2% funded as of 06/30/25, and the pension portion is 70.5% funded as of 06/30/24.

Jennifer then handed it off to Dennis Mullins who presented on the plan's investments. The PARS investments are 50/50 stocks and bonds. Dennis reviewed the plan's asset allocation and performance. He stated that overall, we had a good year.

Commission members asked questions throughout the presentation which were answered by the PARS presenters.

6. Chandler Asset Management Investment Update

John McDowell from Chandler presented on the investment account as of 12/31/2025. John started off by giving an economic update which covered tariffs, the government shutdown, the Federal Reserve interest rates, employment data, retail sales, housing, GDP, and bond yields. He talked about the transition of the City's portfolio from a 1-to-3-year strategy to a 1-to-5-year strategy. He then went over the sector and duration allocations, investment performance and rate of return, and the portfolio holdings.

Commission members asked questions throughout the presentation which were answered by John McDowell.

8. Roundtable

The roundtable agenda item was moved up on the agenda. City Manager Alyssa Muto gave updates on the following projects/Programs:

- LSF East and West
- Marine Safety Building
- Fire Department
- Heat Pump Rebate Program
- Micro Transit Program
- 101 Crossing

7. Fiscal Year 2025 Annual Comprehensive Financial Report

Director Rachel Jacobs presented the FY 2025 Annual Comprehensive Financial Report. She went over the highlights which included the following items:

- Increase to Total Net Position
- General Fund and Reserves
- Other Governmental Funds
- Proprietary Funds
- Net OPEB and Pension Liabilities

Commission members asked questions throughout the presentation which were answered by Director Jacobs. She then stated that the next meeting would be March 23rd.

8. Adjournment

The meeting was adjourned at 8:16 pm.

Respectfully Submitted,



Rachel Jacobs, Finance Director/Treasurer