

**FINANCE COMMITTEE
SPECIAL MEETING
CARNEGIE FORUM
305 WEST PINE STREET, LODI
Wednesday, January 27, 2026 – 10:00 AM**

A. Call to Order

The Special Finance Committee Meeting of January 27, 2026, was called to order at 10:05 a.m.

Present: Chair Hothi, Committee Member Yepez, Committee Member Woehl
Absent: None
Also Present: Interim City Manager James Lindsay, Interim Internal Services Director Christina Jaromay, Budget Manager Jennelle Baker-Bechthold, Accounting Manager Chia Lor, Budget Analyst Jennifer Howell, Budget Analyst Amardeep Kaur, and Administrative Assistant-Confidential Monica Calderon.

B. Consent Calendar (Comments by the Public; Council Action)

B.1 Approve Minutes

Chair Hothi motioned, seconded by Committee Member Yepez, to approve the Special Meeting Minutes of the December 17, 2025, meeting.

VOTE:

The above motion was carried by the following vote:

Ayes: Committee Member Hothi and Committee Member Yepez
Noes: None
Absent: Committee Member Woehl

C. Regular Calendar

C.1 Selection of Chair and Vice Chair 2026

Chair Hothi made a motion, seconded by Committee Member Yepez, nominating Chair Hothi to serve as Chair and Committee Member Yepez to serve as Vice Chair of the Finance Committee.

VOTE:

The above motion was carried by the following vote:

Ayes: Chair Hothi and Committee Member Yepez
Noes: None
Absent: Committee Member Woehl

C.2 Mid-Year Overview

Interim City Manager Lindsay provided update regarding mid-year budget adjustments and informed the Committee of the budget gap related to labor commitments. He also reviewed the City’s mid-year revenue update. Topics included employee cost-sharing for PERS, health benefits, and rising City costs due to MOU obligations.

Member Woehl joined the meeting at 10:10 a.m.

C.3 Proposed Updates to the Budget and Fiscal Policies

Interim City Manager Lindsay provided an update on PARS investments and returns, along with an overview of current funding levels, assets, and investment policies. The committee then discussed potential policy changes to investment contributions, including adjustments to contribution limits and clarification of withdrawal authority.

Interim City Manager Lindsay introduced prospective revisions to the Budget and Fiscal Policy, including non-material changes and adjusting the liability funded ratio in the Pension Stabilization Policy from 80% to 70% and providing a framework for distributions.

Any distributions shall be made if the value of Assets in the PARS fund exceed 70% of the combined liability. In this instance, the City Manager may include a recommendation for disbursements from the PARS fund to offset qualified pension expenses as part of the Annual or Mid-Year Budget reports. No disbursements will be made without City Council approval.

Committee Members discussed the proposed revisions to the Budget and Fiscal Policies. Vice Chair Yepez requested that charts or graphs illustrating revenue sources, reserve levels, and investment funding scenarios be included in the Mid-Year Budget presentation at the February 4th City Council Meeting.

Committee Member Woehl motioned to move the policy changes forward to the City Council on February 4, 2026, seconded by Chair Hothi.

VOTE:

The above motion was carried by the following vote:

Ayes:	Chair Hothi, Vice Chair Yepez, Committee Member Woehl
Noes:	None
Absent:	None

D. Adjournment: Chair Hothi adjourned the meeting at 10:55 a.m.

Attest:

James Lindsay
Interim City Manager