City of Moreno Valley
Finance Subcommittee Meeting
Minutes of February 2, 2017

1. **Call to Order**
   Mayor Gutierrez called the meeting to order at 3:01 p.m. The following were in attendance at the meeting:

   Subcommittee Members:
   Dr. Yxstian D. Gutierrez, Mayor
   David Marquez, Council Member

   Staff Members:
   Marshall Eyerman, Chief Financial Officer
   Tom DeSantis, Assistant City Manager
   Brooke McKinney, Treasury Operations Division Manager
   Dena Heald, Financial Operations Division Manager
   Martin Koczanowicz, City Attorney
   Ahmad Ansari, Public Works Director/City Engineer
   Candace Cassel, Special Districts Division Manager
   Eric Lewis, Transportation Division Manager/City Traffic Engineer
   Robert Lemon, Maintenance & Operations Division Manager
   Michael Lloyd, Land Development Division Manger
   Mike Lee, Economic Development Director
   Margery Lazarus, Capital Projects Division Manager/Assistant City Engineer
   Launa Jimenez, Senior Management Analyst
   Mayra Robledo, Executive Assistant

   Visitors:
   None

2. Public Comments
   No public comments

3. Approval of Minutes:

   Action: Minutes of 12/7/16 approved.

4. Selection of Subcommittee Chair and review meeting structure
   As with past practices, the Mayor as the highest elected official was confirmed as the Subcommittee chair.

5. Review Debt Management and Fund Balance Policies
   Marshall gave an overview of the revised Debt Management Policy. The policy lays out how to structure the Debt policies and how to manage debt once they are issued. The amendment is proposing to add one component to identify taxable verses tax exempt debt. The 2nd component is to add section 8 which highlights continuing disclosure requirements. Current City's bond issues and continuing disclosure agreements items on the City's website under the Investor relations. Mayor asked if there were any recommendations from Vasquez and Company with any proposed changes to the debt policies. The answer was no, the recommendations came from the security and exchange commission and investor required practices.

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Marshall gave an overview on the Fund Balance and Reserves policy. This is the first year the Policy is proposed to be formally implemented by the City Council. The policy sets forth how the unassigned fund balances are to be managed and used.

Action: The items were thoroughly discussed with the understanding that the items would move forward to the February 7 City Council agenda

6. FY 16/17 First Quarter Budget Review and Proposed Amendments
Marshall Eyerman reviewed the 1st Quarter Budget Report, proposed amendments, and annual carryovers. Discussed adjustments which include position changes, Gas Tax adjustments, Measure A, Special Districts, and LMD. The position changes include a new Senior Management Analyst in the Economic Development, a Deputy City Attorney in the City Attorney's office, and defunding a Senior Engineer in Transportation Division. Mayor would like to see total expended budget from 2012 to 2016 from the City Attorney. Carryovers include vehicle replacements.

Action: The items were thoroughly discussed with the understanding that the items would move forward to the February 7 City Council agenda

7. Review Streetlight Financing Options
Marshall provided an overview of the financing of the Streetlight purchase. Purchasing of the lights will save the general fund 3.6 million dollars over 20 years. City will own the streetlight poles; Edison owns underground equipment including transformers. Proposing to begin negotiations with WRCOG and The PFM Group to develop the financing plan for the purchase. The PFM Group will come back on the February 28th Finance Subcommittee Meeting with a presentation of the financing structure.

This item will return to the Finance Sub Committee for further discussion

8. Advisory Items

None

9. Chief Financial Officer Comments
CDBG, HOME, and ESG Grant applications were due Jan. 30th and are up to 34 applications received. Marshall will come back to Finance Subcommittee on Feb. 28th with indications on how individuals ranked. City's two year budget presentation is scheduled for Feb. 14th Study Session. PACE program through WRCOG is being reviewed by the Attorney, working on different adjustments. Next Finance Subcommittee Meetings is scheduled on the fourth Tuesday at 2:45pm.

10. Council Member Comments

None

11. Adjournment
Meeting adjourned at 4:13 p.m.

Prior Meeting Attendance

FINANCE SUBCOMMITTEE ATTENDANCE FOR 2017 JANUARY THROUGH DECEMBER										
	DATE OF MEETING									
Board Member	**1/24/17**	**2/2/17**	**2/28/17**	**3/28/17**	**4/25/17**	**5/23/17**	**6/27/17**	**7/25/17**	**8/22/17**	**9/26/17**
Mayor Gutierrez	NQ	SM								
Council Member Marquez	NQ	SM								

X – Present
E – Excused
A – Absent
NQ – No Quorum
SM – Special Meeting
NM – No Meeting