



1. **Call to Order**

Mayor Gutierrez called the meeting to order at 2:45 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
Jeannette Olko, Electric Utility Division Manager
Ahmad Ansari, Public Works Director/City Engineer
Robert Lemon, Maintenance & Operations Division Manager
Michael Lloyd, Land Development Division Manger
Steve Alvarado, Code Compliance Field Supervisor
Isa Rojas, Management Analyst
Terrie Stevens, Administrative Services Director
Rix Skonberg, Purchasing & Facilities Division Manager
Bob Linton, Management Assistant
Mayra Robledo, Executive Assistant

Visitors:

Zaskia Ruiz, Willdan Financial Services
Richelle Tanguy, Willdan Financial Services
Fonda McGensy, Safe House
Eudora Michell
Jessica Munoz, Voices for Children
P.T. McEwen, Boys & Girls Club
Chris Thomas, PSOMAS
Keri Then

2. Public Comments

Keri Then: Concern in rise in crime within the City and how will the City's budget address these issues. Will the budgetary proposals with the County of Riverside Sheriff address the reduction in the rise in crime issues? Comments on Prop 64 will the City consider the legalizing of Marijuana to collect the potential revenues through sales and tax. Lastly, comments on homelessness, the City Budget needs to address the homeless issues within the City.

3. Approval of Minutes:

Action: Minutes of 2/2/16 approved

4. Fiscal Year 2016/17 Mid-Year Budget Review

Report by Marshall Eyerman. Through the mid-year, the budget is in line with expectations with general fund revenues at 30% and expenses at 48%. The Housing fund transfer of the

property from the Habitat for Humanity shows using more budget than anticipated, but it is missing a transaction. It will be adjusted before bringing to City Council. Largest growth in building permits at 72% of the budget for the year. Council Member Marquez is concerned on the increase on Utility User Tax cell phone contract plans. Council member requested to that we look into lowering the UUT tax.

Action: Recommended to Council for approval at the 3/21/17 Council meeting.

5. Public Hearing to Approve CDBG, HOME, and ESG Project Selections for Inclusion in FY 2017/18 Annual Action Plan

Report by Marshall Eyerman. Applications were reviewed by staff with the assistance of Willdan Financial Services. The City anticipates receiving approximately ½ million on an annual basis through the HOME investment partnership. The funds are restricted for two purposes \$79k go to non-profit community housing development organization and the other component go to affordable housing projects. Out of the HOME program one application was received from Habitat for Humanity for a mobile home repair project for \$120K and the remaining funds will be used for ongoing projects with the main focus on adding additional affordable housing units to the City. The City receives \$180k through the ESG grant. The main focus when utilizing the funds through the ESG program relates to minimizing homelessness within the City. Marshall provided an overview of the proposed award recipients. Council Member Marquez has a concern regarding PW Enhancements surplus that is still available in the FY16/17 funding. Marshall explained that PW Enhancement is behind in their spending due to HUD's restrictions. Therefore, the recommended funding was reduced to \$50k as opposed to what was issued in FY 16/17 of \$80k to provide funding to other organizations. Marshall provided an overview of the proposed award recipients through CDBG.

Action: Recommended to Council for approval at the 3/21/17 Council meeting.

6. Vehicle Purchasing Options & Vehicle Standardization

Tom DeSantis provided an overview of the vehicle purchase and vehicle standardization. Maintenance and Operations staff has been working to find a cost effective way to replace the City's fleet vehicles. Through this process, staff discovered HGAC Buy, a national cooperative purchasing program. HGAC Buy provides significant cost savings and improves the efficiency and effectiveness of the City's purchases by utilizing a contracting program through the piggyback process. The City's fleet has been standardized to reduce fleet diversity creating operational and efficiencies based on vehicle needs and functional requirements, low lifecycle cost, and standardization practices. The City is proposing to move forward with the contract with HGAC Buy for the purchase of the City's standardized fleet vehicles. City fleet will be scheduled to be replaced based on year and mileage of the vehicle.

Action: Recommended to Council for approval.

7. Approval of the Fiscal Year 2017/2018 Storm Water Protection Program Budget for County Service Area 152

Report given by Marshall Eyerman. The County manages the CSA program and applies the charges on the property tax bills. To receive funding from the County, the City prepares a CSA 152 budget. Approving this budget will allow the City to be reimbursed from the

County. It also approves the existing benefit assessment unit (BAU), which did not increase.

Action: Recommended to Council for approval.

8. Advisory Items

Streetlight update (verbal report)

The City is currently in negotiations with Southern California Edison on the purchase of the streetlights contract. The PFM group is working on the financing structure plan and will be brought back to finance subcommittee when the information becomes available. The City will begin looking into LED options, SCE currently approved to have new streetlights changed to LED to save on energy cost.

9. Chief Financial Officer Comments

The updated Bonded Debt Summary will be brought back at the next finance subcommittee meeting. Staff is currently working on the budget process. The next budget meeting will take place at the March 14th Study Session.

10. Council Member Comments

Mayor Gutierrez asked if staff has reached out to the public regarding any comments or concerns with CDBG. Marshall advised that 2 Public Meetings have been held. Staff also reached out to all applicants to make sure they were aware of the information that will be provided to Council at the Finance Subcommittee meeting and they would have the opportunity to speak during this time. Mayor Gutierrez asked with regards to the two year budget if there were a General Fund amendment. Marshall responded that as part of the strategic plan there are some discussions and direction on General Plan updates to integrate within the budget.

Council Member Marquez suggested having the Finance Subcommittee meeting start time changed from 2:45 pm to 3:00 pm. City staff will explore making the change.

11. Adjournment

Meeting adjourned at 3:40 p.m.

Prior Meeting Attendance

FINANCE SUBCOMMITTEE ATTENDANCE FOR 2017 JANUARY THROUGH DECEMBER										
Board Member	DATE OF MEETING									
	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	X							
Council Member Marquez	NQ	SM	X							

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