

- c. Renegotiate on-going contracts and property lease/rent to lower rates.
2. Identify revenue generating opportunities
 - a. Review lease/rent revenue generated by City-owned property to ensure that amounts charged are consistent with market rates; and
 - b. Identify new revenue sources and opportunities to enhance existing revenues.
3. Review subsidies and special programs for conformity with Riverside 2.1 goals and objectives, program benefits, and effectiveness.
4. Minimize service impacts

A combined, preliminary list of departments' balancing measures was provided to the BEC at the January 30 and 31 BEC meetings (Attachment 1).

Refined Balancing Measures

Following City department presentations to the BEC on January 30 and 31, 2018, the City's Executive Leadership Team met to refine the proposed preliminary balancing measures and formulate recommendations for the City Council, with the following priorities in mind:

1. Public Safety: Projects, Programs and Services that:
 - a. maintain and encourage productive activities and life safety;
 - b. discourage/prevent or address illegal, inappropriate, or counterproductive activities; and
 - c. result in investment in the public and private realms.
2. Infrastructure: Projects, Programs and Services that:
 - a. maintain, replace, or improve public infrastructure; and
 - b. facilitate private investment that upgrades public infrastructure
3. Customer Service: Training, Technology, Projects, and Programs that:
 - a. directly improve service delivery to and information exchange within the City organization and with the public; and
 - b. facilitate "speed to market" for private investment

Unfunded Needs

During budget development, City departments compiled lists of unfunded needs in three major categories, including Operating, Facility Maintenance, and Capital (Attachment 2). Staff will highlight the most critical needs that should be considered for funding, with notations of the potential fund sources.

Measure Z Spending Plan Recommendations

The Measure Z Spending Plan has been updated to serve as a baseline budget for FY 2018-23 (Attachment 2). Staff's projections assume a continuation of the spending priorities defined in the May 2017 adoption of the FY 2016-21 spending plan and include adjustments made to the plan per subsequent City Council action, such as the redirection of Contingency Funds for the Archives for the New Main Library project. Staff seeks input from the BEC on the adjusted FY 2018-23 Measure Z Spending Plan recommendations.

BEC Review

The BEC's input is sought on:

1. Refined balancing measures for the General Fund for FY 2018-2020, with impact on the following three years.

2. Recommended findings for the most critical unfunded needs.
3. Adjusted FY 2018-23 Measure Z Spending Plan recommendations.

Next Steps

- Enterprise Fund Five-Year Plans, including Electric, Water and Sewer will be presented to the BEC on March 15, 2018.
- The proposed FY 2018-23 Capital Improvement Plan will be presented to the BEC on March 15, 2018.

FISCAL IMPACT:

There is no fiscal impact associated with this report.

Prepared by:	Kristie Thomas, Interim Budget and Revenue Manager
Approved as to	
Availability of funds:	Adam Raymond, Chief Financial Officer/Treasurer
Approved by:	Marianna Marysheva, Assistant City Manager

Attachments:

1. City Department Preliminary Balancing Measures
2. Unfunded Needs (General Fund) – Operating, Facilities Maintenance and Capital
3. Updated Measure Z Spending Plan (FY 2016-23)