

MINUTES

FINANCE COMMITTEE City of Riverside Wednesday, February 10, 2016, 3 p.m. Art Pick Council Chamber

PRESENT: Chair Soubious, Vice Chair Burnard, and Member Perry

ABSENT: None

STAFF PRESENT: Lorena Verdusco, Susan Wilson, Marianna Marysheva-Martinez, Brent Mason, Girish Balachandran, Cheryl Johannes, Reiko Kerr, Kevin Milligan, Rosemary Koo, Sandy Garcia, Laura Nomura, Edward Enriquez, and others

ALSO PRESENT: Brian Thomas, Austin Carter, Rebecca Whatley, Jason Hunter, Scott Simpson, and others

Chair Soubious called the meeting to order at 3:01 p.m.

EXPANDED GENERAL FUND RESERVE POLICY

Following discussion, motion was made by Member Perry and seconded by Vice Chair Burnard recommending that the City Council (1) endorse the new and revised General Fund Reserve Policy, requiring City Council action for any future changes to the substantive elements of the policy as further defined in the staff report; (2) directed staff to return to the City Council in one year for status of compliance with this policy; (3) request a formal review of the policy in three years; and (4) set an aspirational goal of twenty percent General Fund Reserves for the future. Motion carried unanimously.

RIVERSIDE PUBLIC UTILITIES CASH RESERVE POLICY - ELECTRIC AND WATER ENTERPRISE FUNDS

Following discussion, motion was made by Vice Chair Burnard and seconded Member Perry by recommending that the City Council (1) adopt the Riverside Public Utilities Cash Reserve Policy to include approval of the following designated reserve funds: Customer Deposits, Additional Decommissioning Liability Reserve, Electric Reliability Fund, Mission Square Improvement Fund, Capital Repair and Replacement Fund, and Recycled Water Reserve and Property Reserve Fund; (2) dissolve the Electric Utility's Operating Reserve, Regulatory Risk Reserve, and Energy Risk Management Reserve Accounts and transfer the balance as of June 30, 2015, of those accounts (\$143,031,000, \$15,000,000, and \$30,000,000, respectively) into the Undesignated, Unrestricted Reserve Fund; (3) dissolve the Water Utility Operating Reserve Account and transfer the balance as of June 30, 2015, (\$30,435,000) into the Undesignated, Unrestricted Reserve Fund; (4) direct staff to annually review the policy; and (5) update the policy at a minimum once every three years. Motion carried with Chair Soubious voting no.

ORAL COMMUNICATIONS FROM THE AUDIENCE

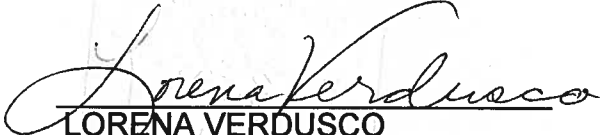
Jason Hunter spoke regarding cash reserves. Scott Simpson spoke regarding infrastructure depreciation and replacement.

ITEMS FOR FUTURE FINANCE COMMITTEE CONSIDERATION AS REQUESTED BY MEMBERS OF THE COMMITTEE

There were no items requested for future Finance Committee meetings.

The Finance Committee adjourned at 5:09 p.m.

Respectfully submitted,


LORENA VERDUSCO
Deputy City Clerk