



Budget Engagement Commission

Meeting Minutes

November 2, 2017 – 5:00 pm,
Mayor Ceremonial Room

Swearing In of the new BEC Commissioner, David St. Pierre – Representing Ward 1 as a Resident by Collen Nicol, City Clerk.

Commission Chairperson Calls Meeting to Order - Commission Chairperson Mendez called the Budget Engagement Commission special meeting to order at 5:12 pm on November 02, 2017 in the Mayor Ceremonial Room located on the seventh floor of Riverside City Hall.

Pledge of Allegiance to the Flag led by Commission Chairperson Mendez

Commission Secretary Calls Roll - Commissioner Badger, Delgado, Mackenroth, Mayes, Segura, Tavaglione, and Vice Chairperson Lee were not present during roll call and one Citywide Commissioner position is currently vacant. All other commissioners were present. Commissioner Mayes arrived at the during agenda item 2, Mackenroth arrived during presentation of agenda item 3, and Vice Chairperson Lee arrived during presentation of agenda item 4.

Public Comment

1. Public Comment

Andrew Guerra – Provide information about the Arlington Business Partnership's Clean and Safe Program and asked for support from the Budget Engagement Commission.

Approval of Minutes

2. Approval of Minutes from August 31, 2017

Motioned: Commissioner Montgomery

Second: Commissioner Hart

Ayes: 10

Noes: None

Abstentions: 1 – Commissioner St. Pierre

Absent: Commissioners Badger, Delgado, Mackenroth, Segura, Tavaglione, and Vice Chairperson Lee

Discussion Calendar

3. Utilize Measure Z Contingency Fund of \$2 Million and \$1.3 Million of Measure Z Allocation for Riverside Metropolitan Museum to Construct a City Archive in the New Main Library

Chairperson Mendez introduced Colleen Nicol, City Clerk, who gave a presentation supporting the use of \$3.3 million of Measure Z funds to construct a City Archive in the new Main Library.

Public Comment: None

The Budget Engagement Commission discussed the item and asked questions about the request. It was proposed that the Budget Engagement Commission recommend to the City Council to utilize Measure Z contingency fund of \$2 million and \$1.3 million of Measure Z allocation for Riverside Metropolitan Museum to construct a City Archive in the new Main Library. The motion failed.

Motioned: Commissioner Arballo

Second: Commissioner Mayes

Ayes: 6 – Commissioners Arballo, Hart, Mathis, Mayes, Scarano, and St. Pierre

Noes: 6 – Commissioners Fierro, Lyell, Mackenroth, Mendez, Montgomery, and Plascencia

Abstentions: None

Absent: Commissioners Badger, Delgado, Segura, Tavaglione, and Vice Chairperson Lee

4. Overview of Electric and Water Utility 5-Year Rate Proposal FY 2018-2022 and Proposal for Annual Cost Based Price Escalators for FY 2023-2027

Chairperson Mendez introduced Girish Balachandran, Public Utilities General Manager to provide a presentation about the Electric and Water Utility 5-year Rate Proposal.

Public Comment: Jason Hunter – expressed opposition to the item.

The Commissioners discussed the agenda item and asked questions of City Staff.

5. Office of Homeless Solutions Housing First Program

Chairperson Mendez introduced Michelle Davis, Housing Authority Manager, who gave a presentation about the Housing First Program and the program priorities.

Public Comment: William Bailey Jr. – expressed support for the agenda item. Jason Hunter – expressed opposition to the agenda item.

The Commissioners discussed the agenda item and asked questions of City Staff.

6. City's Enhanced Efforts on Innovation, Organizational Performance and Accountability

Marianna Marysheva, Assistant City Manager, provided background information about the collaboration between the City's new Innovation Division (within the Innovation and Technology department) and new Office of Organizational Performance and Accountability (the redesigned and renamed Internal Audit Division). Lea Deesing, Chief Innovation Officer, provided an overview of the new Innovation Division and its functions. Cheryl Johannes, Internal Audit Manager, provided an overview of the new Office of Organizational Performance and Accountability.

Public Comment: Jason Hunter – expressed concern about the redesign of the Internal Audit Division.

The Commissioners discussed the agenda item and asked questions of City Staff.

7. Presentation of the City's First Consolidated Report on Goals, Operational Performance and Department Accomplishments – First Quarter of Fiscal Year 2017-2018 (July – September 2017)

Chairperson Mendez requested that the Commission accept the First Quarter Performance Report of Fiscal Year 2017/2018 and Consolidated Reports on Goals, Operational Performance and Department Accomplishments Report and its related presentation. These reports were not published until November 2, 2017 and therefore were not available when the meeting agenda was posted. Acceptance of the additional items requires a two-thirds vote from the Commission.

The motion to accept additional information and the performance measure presentation on Riverside's 2.1 strategic plan was unanimously approved by the commissioners present.

Motioned: Vice Chairperson Lee

Second: Commissioner Fierro

Ayes: 11

Noes: None

Abstentions: None

Absent: Commissioners Arballo, Badger, Delgado, Scarano, Segura, and Tavaglione

Cheryl Johannes, City Internal Audit Manager, presented the highlights of the agenda item and its related report.

Public Comment: None

The Commissioners discussed the agenda item and asked questions of City Staff.

8. BEC Report of Activities to City Council – November 14, 2017 at 6 pm.

Chairperson Mendez introduced Kristie Thomas, Interim Budget and Revenue Manager, who provided an overview of the Budget Engagement Commission's activities over the past year to assist the Commission in preparing its Annual Activity Report for City Council.

Public Comment: Jason Hunter – made recommendations regarding future Commission activities.

The Commissioners discussed the agenda item and asked questions of City Staff.

Miscellaneous Budget Engagement Commission Items

9. FY 2018-2020 Biennial Budget Development and BEC Special Meeting Dates

Chairperson Mendez introduced Kristie Thomas, Interim Budget and Revenue Manager. Special meeting scheduled for January 25, 2018 is now presenting a conflict, the Mayor's State of the City Address is scheduled for this date. City staff discussed alternatives to the meeting dates approved during the August 31, 2017 Budget Engagement Commission meeting. After some discussion City Staff recommended that, the January 24, 2018

meeting remain unchanged and that the January 25, 2018 meeting be replace with two meetings on January 30 and 31, 2018 with all meetings to begin at 4:00 pm.

Motioned: Commissioner Hart
Second: Commissioner Plascencia
Ayes: 11
Noes: None
Abstentions: None
Absent: Commissioners Arballo, Badger, Delgado, Scarano, Segura, and Tavaglione

10. Items for Future Agendas and Updates from City Staff

Adam Raymond, Chief Financial Officer, provide an update about the Fourth Quarter City Financials. Future Agenda item requests:

- Commissioner Hart requested a presentation about the City's plan for addressing the labor cost increases related to CalPERS. Commissioner Montgomery requested historical and forecasted data related to the City's labor costs and workforce size.
- Chairperson Mendez requested information about the City's outsourcing efforts to allow budget flexibility.
- Commissioner Fierro requested that the Commission review the utility rate increase proposal before it is presented to City Council for approval.

11. Approve absence of Commissioners Badger, Mackenroth, Mathis, Persinger, and Tavaglione from the August 31, 2017 Budget Engagement Commission Meeting

Motioned: Commissioner Plascencia
Second: Commissioner Mayes
Ayes: 11
Noes: None
Abstentions: None
Absent: Commissioners Arballo, Badger, Delgado, Scarano, Segura, and Tavaglione

Adjournment - Chairperson Mendez adjourned the meeting at 8:00 pm.

Respectfully Submitted,

A handwritten signature in black ink, appearing to be 'RLC' with a large flourish extending to the right.

Ruby Leann Castillo
Management Analyst – City of Riverside