



1. Call to Order

Mayor Gutierrez called the meeting to order at 3:48 p.m. The following were in attendance at the meeting:

Subcommittee Members:

Dr. Yxstian Gutierrez, Mayor
Ulises Cabrera, Council Member

Staff Members:

Tom DeSantis, City Manager
Marshall Eyerman, Chief Financial Officer
Allen Brock, Assistant City Manager
Brian Mohan, Financial Resources Division Manager
Dena Heald, Financial Operations Division Manager
Brooke McKinney, Treasury Operations Division Manager
Jeannette Olko, Electric Utility Division Manager
Michael Wolfe, Public Works Director
Rick Sandzimier, Community Development Director
Robert Lemon, Maintenance & Operations Division Manager
Kevin Teagarden, Management Analyst
Stephanie Cuff, Management Analyst
Mayra Gonzalez, Executive Assistant
Natalia Lopez, Willdan Financial Services

Visitors:

Scott Manno, RAMS, LLP
Brianna Schultz, RAMS, LLP
Lily Quiroa, Waste Management

2. Public Comments

None

3. Approval of Minutes:

Action: Minutes of 04/23/19 approved.

4. Fiscal Year 2018/19 Third Quarter Budget Review and Approval of the Fiscal Year 2018/19 Third Quarter Budget Amendments

Marshall Eyerman provided an overview of the 3rd quarter budget. The budget is in line with expectations with general fund revenues received are currently at 65% and expenses at 63%. Marshall provided a summary of the budget adjustments which include a proposed increase of \$546,630 in alignment with the expected revenue projections. Staff is recommending a decrease in expenditures of \$442,490. This leaves the amended budget to the positive \$27,000.

Action: Recommended to Council for approval at the 06/04/19 Council meeting.

5. Substantial Amendment #1 to the 2018-2023 Consolidated Plan and Fiscal Year 2018-2019 and Amendment #4 to the NSP3 Program Guidelines

Marshall Eyerman provided an overview of the federal grants received. This action is intended to close out the NSP3 program. All activities associated with this program have been successfully completed. In compliance with federal regulations, the grantees are obligated to accurately report all grant information to HUD through an official close out process.

Action: Recommended to Council for approval at the 06/18/19 Council meeting.

6. Substantial Amendment #2 to the 2018-2023 Consolidated Plan and Fiscal Year 2018-2019 Action Plan

Report given by Marshall Eyerman. This action authorizes a budget adjustment to allocate \$800,00 between HUD approved grant activities and add the Pavement Rehabilitation for four project areas. Four streets were identified within the CDBG project area. The project areas include Hemlock Ave. from Pigeon Pass Road to Heacock St., Sunnymead Blvd. from Graham St. to Heacock St., Heacock St. from Alessandro Blvd. to Cottonwood Ave., and Cottonwood Ave. from Heacock St. to Indian St.

Mayor is requesting to bring selection target area street maintenance to Finance Subcommittee in the future. He is also requesting to target Alessandro Blvd. and Morrison, and Kitching from Cactus to JFK.

Action: Recommended to Council for approval at the 06/18/19 Council Meeting.

7. Agreement for Professional Auditing Services

Marshall Eyerman provided a brief summary on the selection of the new auditing firm. The auditing service for period of June 30, 2019 contracted with Vasquez & Company ends after five consecutive years. The city has gone through an RFP process to select an auditing firm. Eight firms responded to the RFP, but narrowed down to the top three. Rogers, Angerson, Malody & Scott (RAMS) was selected as the top bidder and lowest qualifying bidder. Proposing to enter into contract with RAMS 3 initial years with 2 one year extensions, a total of five years.

Action: Recommended to Council for approval at the 06/18/19 Council meeting.

8. Review of Waste Management Fiscal Year 2019/20 Proposed Solid Waste Rate Adjustments

Michael Wolfe presented the request from Waste Management for adjustments to future fees. Waste Management franchise agreement clause indicates that the CPI shall be adjusted to reflect the Consumer Price Index. The CPI rate adjustments result for residential is an increase of 2.184% for residential and 2.536% for commercial. The second component to the rate adjustment is the recycling contamination fee, in an effort to reduce commercial recycling contamination, the fee is proposed to increase from \$58.66 to \$100.00 for commercial. For residential, the Recycling Material Offset cost increase is set at \$.31 per residential account per month. The purpose of the increase is to recover some of

the costs associated with increased labor and to account for decreased revenue from selling recycling material.

Action: Recommended to Council for approval at future Council meeting.

Advisory Items:

9. Discussion of the Community Workforce Agreement

Mayor discussed the recent actions by the City of Perris to adopt a Community Workforce Agreement. Local hire initiative to require contractors to hire at least 30% of Moreno Valley residents and 10% veterans. This initiative pertains to contractors who are working with city projects, that meets the definition of Public Works projects. The Mayor is seeking to bring this forward to a future study session for City projects over a million dollars.

10. Chief Financial Officer Comments

GANN appropriation limit will be going to Council. The staff report identifies that the City and the CSD are within their limits.

11. Council Member Comments

None

12. Adjournment

Meeting adjourned at 4:46 p.m.

Prior Meeting Attendance

FINANCE SUBCOMMITTEE ATTENDANCE FOR 2019 JANUARY THROUGH DECEMBER										
Board Member	DATE OF MEETING									
	1/22/19	2/26/19	3/26/19	4/23/19	5/28/19	6/25/19	7/23/19			
Mayor Gutierrez	NQ	X	NM	X	X	NM	NM			
Council Member Cabrera	NQ	X	NM	X	X	NM	NM			

X – Present
 E – Excused

A – Absent
NQ – No Quorum
SM – Special Meeting
NM – No Meeting