

**Finance Directors Committee
April 25, 2019
Summary Minutes**

Item 4.A

1. CALL TO ORDER

The meeting of the Finance Directors Committee was called to order at 1:03 p.m. by Chair Lorena Rocha at WRCOG's office, Citrus Room.

2. SELF INTRODUCTIONS

Members present:

Melana Taylor, City of Beaumont
Katherine Stevens, City of Calimesa
Crystal Adams, City of Eastvale
Lorena Rocha, City of Hemet (Chair)
Brandon Rafferty, City of Lake Elsinore
Rochelle Clayton, City of Menifee
Stacey Stevenson, City of Murrieta
Stephen Ajobiewe, City of Perris
Edward Enriquez, City of Riverside
James Riley, City of Wildomar
Matthew Schenk, March JPA
Tim Daigneault, Riverside County Superintendent of Schools (ex-officio member)

Staff present:

Andrew Ruiz, Interim Chief Financial Officer
Daniel Ramirez-Cornejo, Program Manager
Edwin Ramirez, Staff Technician
Suzy Nelson, Administrative Assistant

Guests present:

Chad Bianco, Riverside County Sheriff's Department
Amanda Bridges, Riverside County Sheriff's Department
Will Taylor, Riverside County Sheriff's Department

3. PUBLIC COMMENTS

There were no public comments.

4. MINUTES – *(Beaumont / Perris) 12 yes; 0 no; 0 abstention. Item 4.A was approved. The Cities of Banning, Canyon Lake, Corona, Jurupa Valley, Moreno Valley, Norco, San Jacinto, and Temecula, the County of Riverside, Eastern Municipal Water District, Western Municipal Water District, and Morongo Band of Mission Indians were not present.*

A. Summary Minutes from the January 24, 2019, Finance Directors Committee Meeting are Available for Consideration.

Action: 1. *Approved the Summary Minutes from the January 24, 2019, Finance Directors Committee meeting.*

5. CONSENT CALENDAR – (Perris / Murrieta) 12 yes; 0 no; 0 abstention. Item 5.A was approved. The Cities of Banning, Canyon Lake, Corona, Jurupa Valley, Moreno Valley, Norco, San Jacinto, and Temecula, the County of Riverside, Eastern Municipal Water District, Western Municipal Water District, and Morongo Band of Mission Indians were not present.

A. Finance Department Activities Update

Action: 1. Received and filed.

6. REPORTS / DISCUSSION

A. 3rd Quarter Draft Budget Amendment for Fiscal Year 2018/2019

Andrew Ruiz reported that the 3rd Quarter Draft Budget Amendment includes an increase of \$45,361 in Administration expenditures mainly due to insurance premiums. In the Transportation & Planning Departments, consulting expenses increased by \$99,046; this will be offset by reimbursed grants.

Environmental Department expenditures exceeded the budgeted amount by \$30,496, primarily due to costs associated with the Used Oil Program in the amount of \$26,443. WRCOG switched advertising to a local firm and was able to realize cost savings in advertising, which allowed for the Program to purchase more supplies to be able to do more events. These expenditures will be offset by a decrease in advertising and storage expenditures.

Action: 1. Recommended that the Executive Committee approve the 3rd Quarter Draft Budget Amendment for Fiscal Year 2018/2019.

(Murrieta / Beaumont) 12 yes; 0 no; 0 abstention. Items 6.A was approved. The Cities of Banning, Canyon Lake, Corona, Jurupa Valley, Moreno Valley, Norco, San Jacinto, and Temecula, the County of Riverside, Eastern Municipal Water District, Western Municipal Water District, and Morongo Band of Mission Indians were not present.

B. Presentation by the Riverside County Sheriff

Chad Bianco, Riverside County Sheriff, reported on his first few months in his new role as Sheriff. Sheriff Bianco indicated that his administrative staff has completely changed and are understaffed. The Department is stable and not looking for any additional funds to grow.

Costs for contracted cities should not be increasing. Since Sheriff Bianco just assumed this role, he will have better numbers to report on within six to nine months. Sheriff Bianco's staff is currently running comprehensive analyses of costs to run the Department.

Some of the challenges the Sheriff is having is not having enough deputies. Sheriff Bianco is reaching out to nearby agencies to help with recruiting and academies. Sheriff Bianco is looking to be fully staffed within two years, ideally three.

Action: 1. Received and filed.

C. TUMF Program Activities Update: TUMF Calculation and Collection Process Update

Daniel Ramirez-Cornejo reported that a total of \$40M was collected in the first nine months of Fiscal Year 2018/2019. The most significant collection has been in the single-family residential followed by the industrial collections.

At its October 1, 2018, meeting, the Executive Committee approved an option that would have WRCOG calculate and collect TUMF for all member agencies. The Executive Committee directed staff to consult with each member agency to formally determine those that wish to enroll in the this process; to work with legislative bodies with each agency wishing to enroll in this process to adopt an update to their TUMF Ordinance; to allow those agencies that wish to not participate at this time to continue calculating and collecting TUMF; and to contact all member agencies on an annual basis to verify enrollment status.

The Cities of Beaumont, Lake Elsinore, and Perris and the County of Riverside have indicated that they will not be opting-in to the process at this time.

The online portal for TUMF payments should be available in August 2019.

Action: 1. *Received and filed.*

D. Preliminary Draft Fiscal Year 2019/2020 Agency Budget

Andrew Ruiz reported that the total Administration Department revenue and transfers in is approximately \$2.6M with matching expenditures. The total Transportation Department revenues and transfers in is approximately \$51.3M and expenditures and transfers out are approximately \$48.8M. The total Energy Department revenue and transfers in are approximately \$3M with matching expenditures. Lastly, the total Environmental Department revenue and transfers in are approximately \$695K with matching expenditures.

Financial goals for the next fiscal year are to reduce WRCOG's PERS Unfunded Liability, which is expected to increase approximately 15%; sublease a portion of existing office space; and to expand the PACE commercial Program.

Action: 1. *Received and filed.*

7. REPORT FROM THE INTERIM CHIEF FINANCIAL OFFICER

The Interim Chief Financial Officer had no report to provide.

8. ITEMS FOR FUTURE AGENDAS

Committee members expressed an interest in hearing a presentation from CalPERS about upcoming rates and how they will affect each jurisdiction.

9. GENERAL ANNOUNCEMENTS

There were no general announcements.

10. NEXT MEETING

The next Finance Directors Committee meeting is scheduled for Thursday, July 25, 2019, at 1:00 p.m., at WRCOG's office located at 3390 University Avenue, Suite 450, Riverside, CA, 92501.

11. ADJOURNMENT

The meeting of the Finance Directors Committee meeting adjourned at 1:41 p.m.