



Western Riverside Council of Governments Finance Directors' Committee

AGENDA

**Thursday, July 27, 2017
10:00 a.m.**

**County of Riverside Administrative Center
4080 Lemon Street
3rd Floor, Conference Room A
Riverside, CA, 92501**

PLEASE NOTE LOCATION

In compliance with the Americans with Disabilities Act and Government Code Section 54954.2, if special assistance is needed to participate in the Finance Directors' Committee meeting, please contact WRCOG at (951) 955-8311. Notification of at least 48 hours prior to meeting time will assist staff in assuring that reasonable arrangements can be made to provide accessibility at the meeting. In compliance with Government Code Section 54957.5, agenda materials distributed within 72 hours prior to the meeting which are public records relating to an open session agenda item will be available for inspection by members of the public prior to the meeting at 4080 Lemon Street, 3rd Floor, Riverside, CA, 92501.

The Finance Directors' Committee may take any action on any item listed on the agenda, regardless of the Requested Action.

- 1. CALL TO ORDER (James Riley, Chair)**
- 2. SELF INTRODUCTIONS**
- 3. PUBLIC COMMENTS**

At this time members of the public can address the Finance Directors' Committee regarding any items with the subject matter jurisdiction of the Committee that are not separately listed on this agenda. Members of the public will have an opportunity to speak on agendized items at the time the item is called for discussion. No action may be taken on items not listed on the agenda unless authorized by law. Whenever possible, lengthy testimony should be presented to the Committee in writing and only pertinent points presented orally.

- 4. CONSENT CALENDAR**

All items listed under the Consent Calendar are considered to be routine and may be enacted by one motion. Prior to the motion to consider any action by the Committee, any public comments on any of the Consent Items will be heard. There will be no separate action unless members of the Committee request specific items be removed from the Consent Calendar.

- A. **Summary Minutes from the March 23, 2017, Finance Directors' Committee meeting are available for consideration.** **P. 1**

Requested Action: 1. *Approve the Summary Minutes from the March 23, 2017, Finance Directors' Committee meeting.*

- B. **Financial Report Summary through June 2017** **Ernie Reyna** **P. 7**

Requested Action: 1. *Receive and file.*

- C. **Finance Department Activities Update** **Ernie Reyna** **P. 13**

Requested Action: 1. *Receive and file.*

- D. **4th Quarter draft Budget amendment for Fiscal Year 2016/2017** **Ernie Reyna** **P. 15**

Requested Action: 1. *Recommend that the Executive Committee approve the 4th Quarter draft Budget amendment for Fiscal Year 2016/2017.*

5. REPORTS/DISCUSSION

- A. **Selection of WRCOG Finance Directors' Committee Chair, Vice-Chair, and 2nd Vice-Chair Positions for Fiscal Year 2017/2018** **Ernie Reyna, WRCOG** **P. 41**

Requested Action: 1. *Select WRCOG Finance Directors' Committee Chair, Vice-Chair, and 2nd Vice-Chair positions for Fiscal Year 2017/2018.*

- B. **Regional Streetlight Program Activities Update** **Tyler Masters, WRCOG** **P. 43**

Requested Action: 1. *Discuss and provide input.*

- C. **CalPERS Presentation on Pension Costs** **Ernie Reyna, WRCOG** **P. 55**

Requested Action: 1. *Receive and file.*

6. ITEMS FOR FUTURE AGENDAS **Members**

Members are invited to suggest additional items to be brought forward for discussion at future Finance Directors' Committee meetings.

7. GENERAL ANNOUNCEMENTS **Members**

Members are invited to announce items/activities which may be of general interest to the Finance Directors' Committee.

8. **NEXT MEETING:** **The next Finance Directors' Committee meeting is scheduled for Thursday, September 28, 2017, at 10:00 a.m., County of Riverside Administrative Center, 4080 Lemon Street, 3rd Floor in Conference Room A.**

9. ADJOURNMENT

1. CALL TO ORDER

The meeting of the Finance Directors' Committee was called to order at 10:03 a.m. by Ernie Reyna at the County Administrative Center, 3rd Floor in Conference Room A.

2. SELF INTRODUCTIONS

Members present:

Bonnie Johnson, City of Calimesa
Terry Shea, City of Canyon Lake
Kim Sitton, City of Corona
James Riley, Cities of Eastvale and Wildomar
Shannon Buckley, City of Lake Elsinore
Marshall Eyerman, City of Moreno Valley
Linda Le, City of Murrieta (arrived at 10:23 A.M.)
Jennifer Erwin, City of Perris (arrived at 10:27 A.M.)
Scott Miller, City of Riverside
Charles Turner, Eastern Municipal Water District
Matthew Schenk, March Joint Powers Authority
Damon Smith, Riverside County Superintendent of Schools

Staff present:

Ernie Reyna, Chief Financial Officer
Andrew Ruiz, Program Manager
Cherish Latchman, Staff Analyst
Lupe Lotman, Executive Assistant

Guests present:

Jennifer Ustation, City of Calimesa
Charlee Dick, Riverside County Assessor's Office
David Montgomery, Riverside County Assessor's Office
Peter Aldana, Riverside County Assessor's Office
Richard Babbe, Public Financial Management
Sarah Meacham, Public Financial Management

3. PUBLIC COMMENTS

There were no public comments.

4. CONSENT CALENDAR – (Schenk/Johnson) 11 yes; 0 no; 0 abstention. Items 4.A through 4.E were approved by the Committee as a whole. The Cities of Banning, Hemet, Jurupa Valley, Menifee, Murrieta, Norco, Perris, San Jacinto, Temecula, the County of Riverside, the Western Municipal Water District, and the Morongo Band of Mission Indians were not present.

A. Summary Minutes from the January 26, 2017, Finance Directors' Committee meeting.

Action: 1. *Approved the Summary Minutes from the January 26, 2017, Finance Director's meeting.*

B. Summary Minutes from the September 22, 2016, Finance Directors' Committee meeting.

Action: 1. *Approved the Summary Minutes from the September 22, 2016, Finance Director's Committee meeting.*

C. Financial Report Summary through February 2017

Action: 1. *Received and filed.*

D. Finance Department Activities Update

Action: 1. *Received and filed.*

E. Finance Directors' Committee Meeting Schedule for 2017

Action: 1. *Approved the Schedule of Finance Directors' Committee meetings for 2017.*

5. REPORTS/DISCUSSION

A. Property Tax Assessment

Peter Aldana, Assessor-County-Clerk-Recorder, reported that the Riverside County's Assessor's Office annual report was recently released on the County website. Currently, there are six assessor's offices in Riverside County including Blythe, Hemet, Palm Desert, Riverside (two locations), and Temecula. The Assessor's Office is embracing its role as a public service organization, noting that last year it experienced 1.2 million points of contact with the public, while there are 2.2 million citizens in Riverside County.

Mr. Aldana explained the Document Transfer Tax. When there is any sort of monetary consideration, like a change of ownership, there is a transfer tax assessed of .55 cents for every \$500. However, the City of Riverside is different. Currently, higher end properties are not selling, thus resulting in less revenue. The Assessor's office receives building and safety permits from both cities and counties indicating when any type of construction occurs, as well as when grant deeds are issued, or any other documents that shows a change of ownership. This information is then sent to the Assessor's Office and is recorded. Once recorded, it is sent to the Auditor Controller's Office where the tax rate is calculated. After the tax rate is calculated, it is sent to the Treasurer's Office where the taxes are collected. Finally, this information is sent back to the Auditor's Office which disburses the revenue to the different member jurisdictions. Increases in Assessed Value (AV) happen if there is change in ownership of properties in an appreciated market, and during new construction periods. In 2008, the AV of a property in the County of Riverside reached a peak of \$242 billion dollars. However, due to the recession and the resulting foreclosures in the following years, the Assessor's Office did not believe that the AV would reach that peak again for quite some time. However, last year that peak was exceeded and reached \$252 billion, even though the median selling price of a property has not reached its pre-recession peak. Another 5% increase is expected this year from last years' value. Additionally, no city declined in property value last year. There is a program that offers postponement of property taxes for senior and disabled citizens. The public may get more information about the program from the Assessor's Office. Lastly, the Assessor's Office is no longer sending out postcards of assessed value in an attempt to save money, and has been posting this information online. However, it is

considering sending out postcards again since there are some people who do not have access to a computer.

Action: 1. *Received and filed.*

B. Fiscal Year 2015/2016 Comprehensive Annual Financial Report

Ernie Reyna reported that the Fiscal Year 2015/2016 Comprehensive Annual Financial Report, which was conducted by WRCOG's auditors, was issued January 31, 2017. An extension was filed due to two different findings that needed to be resolved. The findings include TUMF liability and how it was reported as well as an investment policy violation. One particular investment needed to be removed from the portfolio because it was a foreign asset, and per WRCOG's approved Investment Policy, these types of investments are not allowed. The organization that issued the investment was originally thought to have originated in New Jersey, but the company was a Japanese firm and has since been removed.

Andrew Ruiz reported that the revenue expenditures net position increased by 11%, or \$3.6 million. The current assets increased by 13.9%, or \$11.7 million as a result of an increase in the PACE and TUMF Programs. Net investment in the capital assets account increased from \$54,000 to \$100,000 due to computer and vehicle purchases for WRCOG. For the TUMF Program, the restricted net position accounts for \$26.4 million of WRCOG's full net position. WRCOG holds funds until a Zone has an opportunity to claim use for the funds through the Transportation Improvement Plan process. The unrestricted net position is \$9.4 million.

Mr. Reyna indicated that approximately 87% of the \$87 million of WRCOG's cash position is from TUMF, while the remaining is from the PACE Program, some of which is distributed to WRCOG's member jurisdictions.

Action: 1. *Received and filed.*

At this time, the next item was taken out of order.

D. Draft Agency Budget for Fiscal Year 2017/2018

Andrew Ruiz reported that the Draft Agency Budget for Fiscal Year 2017/2018 includes the Government Relations, Energy, Environment, and Transportation Departments. The BEYOND Program and Fellowship Program will continue to be funded, noting that the BEYOND Program will receive \$2 million and the Fellowship Program will receive \$400,000. For the Energy Department, PACE revenues are anticipated to reach over \$10 million, while the Regional Streetlight Program is anticipated to bring in \$500,000 in revenue. The Environment Department will implement a pilot year for WRCOG's Litter Program. In the Transportation Department, TUMF revenues are anticipated to be \$40 million. Additional on-call planning consultants will be hired to assist with updates to the TUMF Program and other duties. Funding is also being set aside for a Deputy Director and an Office Manager. There is also \$100,000 being utilized for a feasibility study for WRCOG's Economic Development and sustainability framework. Finally, a Community Choice Aggregation (CCA) Program is being developed.

Action: 1. *Received and filed.*

C. Draft WRCOG Investment Policy

Sarah Meacham, Managing Director with Public Financial Management (PFM), reviewed WRCOG's investment strategy. PFM's main strategy is to protect public money, and recommends an annual review of the investment program.

Richard Babbe, Senior Managing Consultant, indicated that PFM recommends investing in securities from one to three years for fixed income clients in order to accommodate for cash flow and interest rate uncertainty. This type of balance will enhance the portfolio and also reduce risk. PFM is suggesting that the parameters of the investments be expanded.

Committee member Linda Le asked why CalTRUST was not included in the investment list, and if PFM will recommend CalTRUST to diversify the portfolio.

Richard Babbe responded that CalTRUST is represented in the Local Government Investment Pool (LGIP) area of the table; however due to the time it takes for the CalTRUST investment to reach maturity, it is not worth the risk of investment, and PFM is recommending a prudent approach.

Committee member Charles Turner asked why municipal bonds are excluded from PFM's recommendation.

Mr. Babbe replied that these types of investments do not issue debt very often, for example, once every five years, which makes it difficult for PFM to analyze each municipal bond.

Committee member Turner suggested that WRCOG be careful in investing in cities outside of the State.

Ms. Meacham responded that as long as an investment meets PFM's standards they would invest, and these types of investments have not negatively impacted other clients in California.

Mr. Babbe also stated that if WRCOG wanted to only invest in cities in California they could do that, but that could potentially hurt their return on investment.

Committee member Turner asked if the Executive Committee would be briefed on the investment strategy.

Ernie Reyna replied that the Administration & Finance Committee would receive this information.

Action: 1. *Recommended that the Executive Committee approve and adopt the draft WRCOG Investment Policy.*

M/S/A (Buckley/Shea) 12-0-0; Item 5.D was approved by unanimous vote of those members present. The Cities of Banning, Corona, Hemet, Jurupa Valley, Menifee, Norco, San Jacinto, Temecula, the County of Riverside, the Morongo Band of Mission Indians, and the Western Municipal Water District were not present.

6. ITEMS FOR FUTURE AGENDAS

It was suggested by the Committee to begin meeting quarterly after its July meeting. One topic of discussion for the next meeting could include the Community Development Block Program (CBCG), which funds different community projects like affordable housing. The Committee also suggested having CalPERS present at the next meeting. Committee Member Charles Turner recommended that SB 341 be discussed, as well as the Redevelopment Agency (RDA) and Local Agency Formation Commission (LAFCO) progress.

7. GENERAL ANNOUNCEMENTS

Ernie Reyna announced that the General Assembly will be held June 22, 2017, with Dr. Robert Gates serving as the guest speaker.

8. NEXT MEETING

The next Finance Directors' Committee meeting scheduled for Thursday, May 25, 2017, will be cancelled.

The next Finance Directors' Committee meeting is scheduled for Thursday, July 27, 2017, at 10:00 a.m., in the Riverside County Administrative Center, 3rd Floor, Conference Room A.

9. ADJOURNMENT

The meeting of the Finance Directors' Committee meeting adjourned at 11:26 a.m.

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Western Riverside Council of Governments Finance Directors' Committee

Staff Report

Subject: Financial Report Summary through June 2017

Contact: Ernie Reyna, Chief Financial Officer, ereyna@wrcog.us, (951) 955-8432

Date: July 27, 2017

The purpose of this item is to provide a monthly summary of WRCOG's financial statements in the form of combined Agency revenues and expenditures.

Requested Action:

1. Receive and file.
-

Attached is WRCOG's financial statement through June 2017.

Prior Action:

None.

Fiscal Impact:

This item is informational only; therefore there is no fiscal impact.

Attachment:

1. WRCOG Financial Report Summary – June 2017.

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Item 4.B

Financial Report Summary through
June 2017

Attachment 1

WRCOG Financial Report Summary
– June 2017

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Western Riverside Council of Governments
Monthly Budget to Actuals
For the Month Ending June 30, 2017

		Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Remaining 6/30/2017 Budget
Revenues				
40001	Member Dues	309,410	306,410	3,000
40008	Gov Relation-Revenue	2,200,000	-	2,200,000
42001	Other Revenue	-	8,544	(8,544)
42004	General Assembly	300,000	198,350	101,650
40601	WRCOG HERO	1,963,735	1,221,983	741,752
40602	SCE Phase II	57,000		57,000
40603	CA HERO	7,615,461	5,840,266	1,775,195
40605	The Gas Company Partnership	62,000	58,654	3,346
40606	SCE WRELP	4,692	77,698	(73,006)
40607	WRCOG HERO Commercial	27,500	64,278	(36,778)
40609	SCE Phase III	10,643	10,634	9
40611	WRCOG HERO Recording Revenue	335,555	264,212	71,343
40612	CA HERO Recording Revenue	1,301,300	1,157,684	143,616
40614	Active Transportation	200,000	50,254	149,746
41201	Solid Waste	107,915	98,163	9,752
41401	Used Oil Opportunity Grants	290,227	288,820	1,407
41402	Air Quality-Clean Cities	228,000	150,500	77,500
40616	CCA Revenue	247,950	102,095	145,855
40617	Energy Admin Revenue	31,678	30,000	1,678
41701	LTF	701,300	701,250	50
43001	Commercial/Service - Admin (4%)	37,074	83,668	(46,594)
43002	Retail - Admin (4%)	142,224	134,965	7,259
43003	Industrial - Admin (4%)	128,446	179,186	(50,739)
43004	Residential/Multi/Single - Admin (4%)	1,067,271	179,186	888,086
43005	Multi-Family - Admin (4%)	224,983	96,026	128,957
43001	Commercial/Service	889,786	2,025,491	(1,135,705)
43002	Retail	3,413,375	3,239,164	174,211
43003	Industrial	3,082,710	4,299,547	(1,216,837)
43004	Residential/Multi/Single	25,614,514	22,339,926	3,274,588
43005	Multi-Family	5,399,595	2,304,629	3,094,966
	Total Revenues	61,037,038	45,403,316	15,525,416
Expenditures				
Wages and Benefits				
60001	Wages & Salaries	2,379,171	2,278,569	100,602
61000	Fringe Benefits	578,219	525,083	53,136
	Total Wages and Benefits	2,957,390	2,803,652	153,738
General Operations				
63000	Overhead Allocation	1,520,636	1,391,625	129,011
65101	General Legal Services	566,612	726,255	(159,643)
65401	Audit Fees	25,000	23,879	1,121
65505	Bank Fees	25,500	162,642	(137,142)
65507	Commissioners Per Diem	46,950	59,700	(12,750)
65530	Interest Expense	-	110,526	(110,526)
73001	Office Lease	145,000	136,576	8,424
73003	WRCOG Auto Fuels Expense	678	580	98
73004	WRCOG Auto Maint Expense	33	59	(26)
73101	Special Mail Svcs	1,500	1,028	472
73102	Parking Validations	4,380	4,315	65
73104	Staff Recognition	1,200	681	519
73107	Event Support	187,278	118,151	69,127
73108	General Supplies	22,128	16,117	6,011
73109	Computer Supplies	8,937	5,989	2,948
73110	Computer Software	13,818	24,696	(10,878)
73111	Rent/Lease Equipment	25,000	32,174	(7,174)
73113	Membership Dues	25,946	29,779	(3,833)
73114	Subscriptions/Publications	8,789	18,069	(9,280)
73115	Meeting Support/Services	16,646	9,564	7,082
73116	Postage	5,759	4,853	906
73117	Other Household Expenditures	5,205	5,748	(543)
73118	COG Partnership Agreement	40,000	23,947	16,053
73119	Storage	16,000	6,671	9,329
73120	Printing Services	20,786	234	20,552
73122	Computer Hardware	4,000	1,148	2,852
73126	EV Charging Equipment	49,605	60,490	(10,885)
73201	Communications-Regular	2,000	5,771	(3,771)

Western Riverside Council of Governments
Monthly Budget to Actuals
For the Month Ending June 30, 2017

		Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Remaining 6/30/2017 Budget
73203	Communications-Long Distance	1,200	227	973
73204	Communications-Cellular	12,462	12,316	146
73206	Communications-Comp Sv	42,558	61,397	(18,839)
73209	Communications-Web Site	15,600	1,694	13,906
73301	Equipment Maintenance - General	8,407	12,496	(4,089)
73302	Equipment Maintenance - Computers	14,264	29,521	(15,257)
73405	Insurance - General/Business Liason	73,740	75,125	(1,385)
73407	WRCOG Auto Insurance	1,570	1,498	72
73502	County RCIT	2,500	800	1,700
73506	CA HERO Recording Fee	1,636,855	1,314,325	322,530
73601	Seminars/Conferences	23,405	16,189	7,217
73605	General Assembly	300,000	95,962	204,038
73611	Travel - Mileage Reimbursement	23,174	20,147	3,027
73612	Travel - Ground Transportation	9,212	4,662	4,551
73613	Travel - Airfare	23,369	16,336	7,033
73620	Lodging	19,016	14,105	4,911
73630	Meals	12,107	8,730	3,377
73640	Other Incidentals	17,368	12,577	4,791
73650	Training	12,200	3,119	9,081
73703	Supplies/Materials	34,851	4,474	30,377
73704	Newspaper Ads	21,863	12,200	9,663
73706	Radio & TV Ads	53,833	73,133	(19,300)
73801	Staff Education Reimbursement	25,000	2,500	22,500
XXXXX	TUMF Projects	38,399,980	49,437,987	(11,038,007)
85101	Consulting Labor	3,519,374	2,941,026	578,348
85102	Consulting Expenses	238,733	9,535	229,198
85180	BEYOND Expenditures	1,618,186	430,392	1,187,794
90101	Computer Equipment/Software	40,790	32,208	8,582
90501	Office Improvements	27,654	3,276	24,378
Total General Operations		52,937,417	55,660,031	(2,722,614)
Total Expenditures		55,894,807	58,463,683	(2,568,876)





Western Riverside Council of Governments

Finance Directors' Committee

Staff Report

Subject: Finance Department Activities Update

Contact: Ernie Reyna, Chief Financial Officer, ereyna@wrcog.us, (951) 955-8432

Date: July 27, 2017

The purpose of this item is to provide an update on the financial audit of Fiscal Year (FY) 2016/2017, the FY 2016/2017 4th Quarter Budget amendment, and the upcoming annual TUMF review for FY 2016/2017.

Requested Action:

1. Receive and file.

Financial audit

FY 2016/2017 is quickly coming to an end and the newly engaged auditors from Rogers, Anderson, Malody, & Scott (RAMS) were in the WRCOG offices the week of June 5, 2017, conducting the interim portion of the financial audit. The interim audit includes testing of payroll, accounts payable invoices, and personnel files. The auditors are anticipated to return for final fieldwork the week of August 28, 2017, and conclude their audit in the months of September and October 2017. The final Comprehensive Annual Financial Report (CAFR) will be issued no later than November 15, 2017, and presented at the December 2017 Administration & Finance Committee meeting, with the Executive Committee receiving the report at its January 8, 2018, meeting.

Budget amendment

June 30, 2017, marked the end of FY 2016/2017, and the Administration & Finance Committee was presented with a 4th Quarter Budget amendment report at its July 12, 2017, meeting. The Executive Committee will consider the report at its August 7, 2017, meeting. Additional information regarding budget amendments can be found on item 4.D. of this agenda.

Annual TUMF review

The week of July 10, 2017, WRCOG staff began contacting jurisdictional staff to schedule the annual TUMF review for FY 2016/2017. It is anticipated the reviews will be conducted August through October, with the final reports issued to the member jurisdictions by December 2017.

Prior Action:

July 12, 2017: The Executive Committee received report.

Fiscal Impact:

This item is informational only; therefore, there is no fiscal impact.

Attachment:

None.



Western Riverside Council of Governments

Finance Directors' Committee

Staff Report

Subject: 4th Quarter draft Budget amendment for Fiscal Year 2016/2017

Contact: Ernie Reyna, Chief Financial Officer, ereyna@wrcog.us, (951) 955-8432

Date: July 27, 2017

The purpose of this item is to request approval of WRCOG's 4th Quarter Budget amendment for Fiscal Year 2016/2017, as identified in the attachment to this staff report. The attached summary includes increases and/or decreases to both revenues and expenditures, by department.

Requested Action:

1. Recommend that the Executive Committee approve the 4th Quarter draft Budget amendment for Fiscal Year 2016/2017.

General Fund: The General Fund will be adding a very minimal amount of revenue of \$8,116, while increasing expenditures by \$76,908. The majority of the increase is due to WRCOG switching from in-house IT services to an IT consultant. Other expenditure items being increased include legal (\$26,974), computer server (\$18,839), and computer equipment (\$15,257). The salaries and benefit line-item was decreased by \$85,896 to help offset expenditures. In total, expenditures in the General Fund are increasing by \$76,908. The General Fund will offset this increase by charging additional amounts in overhead to both the Transportation and Energy Departments.

Revenue increase to the General Fund:	\$8,116
Expenditure increase to the General Fund:	\$76,908

Transportation Department: The Transportation Department will be reducing some revenue line items mostly from the Clean Cities Program. The reduction in revenue amounts to \$90,500. On the expenditure side, Transportation will be increasing its legal line item by \$110,597. This will be partially offset by a reduction to several line items, including consulting labor of \$25,236. In total, expenditures in the Transportation Department will increase by \$83,998. The decrease in revenue will be recovered by the Clean Cities Program over time as the grant year does not coincide with WRCOG's Fiscal Year. The increase in expenditures will be recovered through TUMF revenues in future months.

Revenue decrease to Transportation Department:	(\$90,500)
Expenditure increase to Transportation Department:	\$83,998

Energy Department: The Energy Department will be decreasing revenue in both the WRCOG and CA PACE Programs. The reduction in revenues can be attributed to budgeted amounts for both PACE Programs that did not reach their projections. For the WRCOG PACE Program, revenue will be decreased by \$796,165, and the CA PACE Program will be reducing revenues by \$1,899,952. In total, the Energy Department will be reducing revenues by \$2,827,427. For expenditures, the Energy Department will be increasing legal by \$57,440. In total, expenditures will be increasing by \$74,534. The reduction in revenues for the PACE Programs may or

may not be made up in the coming months, but the increase in expenditures will be taken from carryover revenues in Fiscal Year 2016/2017.

Revenue decrease to Energy Department:	(\$2,827,427)
Expenditure increase to Energy Department:	\$74,534

Environment Department: The Environment Department will be reducing revenues in the Used Oil Program by \$10,252 due to the timing in which grants monies are to be received. The expenditures will increase in total by \$18,700, mostly due to an increase in Radio / TV ads of \$21,800 and Event Support of \$16,478. These amounts are offset by various line items, including Supplies / Materials and Consulting Expenses. The revenue of \$10,252 will be recovered in future months, and the increase in expenditures will be offset by future grant monies and additional support from the Energy Department.

Revenue decrease to the Environment Department:	(\$10,252)
Expenditure increase to the Environment Department:	\$18,700

In total, WRCOG will have a decrease of total Agency revenues of \$2,920,063 and expenditures increase of \$254,140. With this amendment concluding Fiscal Year 2016/2017, the Budget will continue to remain balanced with revenues equaling or exceeded expenditures.

Prior Action:

July 12, 2017: The Administration and Finance Committee recommended that the Executive Committee approve the 4th Quarter draft Budget amendment for Fiscal Year 2016/2017.

Fiscal Impact:

General Fund: An increase in revenue of \$8,116 and an increase of expenditures of \$76,908.

Transportation: A decrease in revenue of \$90,500 and an increase of expenditures of \$83,998.

Energy: A decrease of revenue of \$2,827,427 and an increase of expenditures of \$74,534.

Environment: A decrease in revenue of \$10,252 and an increase of expenditures of \$18,700

Attachment:

1. Annual Budget for the year ending June 30, 2017, with 4th Quarter amendments.

Item 4.D

4th Quarter draft Budget amendment
for Fiscal Year 2016/2017

Attachment 1

Annual Budget for the year ending
June 30, 2017, with 4th Quarter
amendments

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Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Total General Fund			
	Approved 6/30/2017 Budget	Thru 3/31/2017 Actual	Amendment Needed 3/31/2017
Revenues			
42001 Other Miscellenous Revenue	-	8,116	8,116
Total Revenues	-	8,116	8,116
Expenditures			
Wages and Benefits			
60001 Salaries & Wages	1,194,921	941,822	(85,896)
Total Wages and Benefits	1,194,921	941,822	(85,896)
General Operations			
65101 General Legal Services	72,552	99,526	26,974
65507 Commissioners Per Diem	45,000	56,850	11,850
73004 WRCOG Auto Maintenance Expense	33	59	26
73102 Parking Validations	245	350	105
73107 Event Support	61,893	52,468	(9,414)
73108 General Supplies	196	566	370
73109 Computer Supplies	1,437	2,374	937
73110 Office Expense - Computer Software	10,525	24,033	13,508
73111 Office Expense - Rent/Lease Equip	25,000	32,174	7,174
73113 Membership Dues	17,911	26,349	8,438
73114 Subscriptions/Publications	4,864	16,864	12,000
73115 Meeting Support/Services	2,562	3,318	756
73201 Communications - Regular	2,000	4,636	2,636
73204 Communications - Cellular	241	495	254
73206 Communications - Computer Server	42,558	61,397	18,839
73301 Equipment Maintenance - General	7,907	9,736	1,829
73302 Equipment Maintenance - Computers	14,264	29,521	15,257
73405 Insurance - Gen/Business	72,585	73,985	1,400
73120 Printing Services	5,000	234	(4,766)
85101 Consulting Labor	46,112	100,743	54,631
Total General Operations	432,885	595,677	162,803
Total Net Revenue Increase/(Decrease)			\$ 8,116
Total Net Expenditure Increase/(Decrease)			\$ 76,908

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Administration			
	Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Revenues			
42001 Other Miscellaneous Revenue	-	8,116	8,116
Total Revenues	-	8,116	8,116
Expenditures			
Wages and Benefits			
60001 Salaries & Wages	631,223	552,677	(78,546)
Total Wages and Benefits	631,223	552,677	(78,546)
General Operations			
65101 General Legal Services	70,169	96,131	25,962
65507 Commissioners Per Diem	45,000	56,850	11,850
73004 WRCOG Auto Maintenance Expense	33	59	26
73107 Event Support	60,000	46,988	(13,000)
73110 Office Expense - Computer Software	10,525	24,033	13,508
73111 Office Expense - Rent/Lease Equip	25,000	32,174	7,174
73113 Membership Dues	15,511	23,064	7,553
73114 Subscriptions/Publications	4,864	16,664	11,800
73115 Meeting Support/Services	2,562	3,318	756
73201 Communications - Regular	2,000	4,636	2,636
73206 Communications - Computer Server	42,558	61,397	18,839
73301 Equipment Maintenance - General	7,907	9,736	1,829
73302 Equipment Maintenance - Computers	14,264	29,521	15,257
73405 Insurance - Gen/Business	72,585	73,985	1,400
73120 Printing Services	5,000	234	(4,766)
85101 Consulting Labor	46,112	100,743	54,631
Total General Operations	424,090	579,532	155,454
Total Net Revenue Increase/(Decrease)			\$ 8,116
Total Net Expenditure Increase/(Decrease)			\$ 76,908

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Government Relations (70)				
		Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Expenditures				
Wages and Benefits				
60001	Wages & Salaries	563,698	389,145	(7,350)
	Total Wages and Benefits	563,698	389,145	(7,350)
General Operations				
65101	General Legal Services	2,383	3,396	1,013
73102	Parking Validations	245	350	105
73107	Event Support	1,893	5,479	3,586
73108	General Supplies	196	566	370
73109	Computer Supplies	1,437	2,374	937
73113	Membership Dues	2,400	3,285	885
73114	Subscriptions/Publications		200	200
73204	Communications - Cellular	241	495	254
	Total General Operations	8,795	16,145	7,350
Total Net Revenue Increase/(Decrease)				\$ (0)

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Transportation (Summary)				
		Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Revenues				
41402	Clean Cities	228,000	150,500	(77,500)
42005	Sponsorship	10,000	-	(10,000)
42006	Event Registration	3,000	-	(3,000)
Total Revenues		241,000	150,500	(90,500)
Expenditures				
65101	General Legal Services	269,007	379,604	110,597
73102	Parking Validations	1,500	1,555	55
73114	Subscriptions/Publications	3,500	-	(3,000)
73117	Other Household Expenditures	213	277	64
73120	Printing Services	7,500	-	(7,000)
73203	Communications-Long Distance	1,633	2,254	621
73301	Equipment Maintenance - General	-	3,120	3,120
73601	Seminars/Conferences	1,673	2,758	1,085
73611	Travel - Mileage Reimbursement	1,471	2,943	1,472
73612	Travel - Ground Transportation	177	325	148
73613	Travel - Airfare	1,164	-	(325)
73620	Lodging	1,066	1,743	677
73630	Meals	3,482	4,511	1,029
73640	Other Incidentals	1,919	2,610	691
85101	Consulting Labor	779,602	672,944	(25,236)
Total General Operations		1,073,907	1,074,644	83,998
Total Net Revenue Increase/(Decrease)				\$ (90,500)
Total Net Expenditure Increase/(Decrease)				\$ 83,998

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Transportation (TUMF - 1148)				
		Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Expenditures				
65101	General Legal Services	267,102	369,478	102,376
73102	Parking Validations	1,500	1,555	55
73114	Subscriptions/Publications	3,500		(3,000)
73117	Other Household Expenditures	213	277	64
73120	Printing Services	7,500		(7,000)
73203	Communications-Long Distance	1,633	2,254	621
73301	Equipment Maintenance - General		3,120	3,120
73601	Seminars/Conferences	1,123	1,883	760
73611	Travel - Mileage Reimbursement	1,471	2,943	1,472
73612	Travel - Ground Transportation	177	325	148
73620	Lodging	1,066	1,743	677
73630	Meals	3,482	4,511	1,029
73640	Other Incidentals	1,919	2,610	691
85101	Consulting Labor	621,507	496,300	(101,013)
	Total General Operations	912,193	886,999	0

Total Net Expenditure Increase/(Decrease) **\$ (0)**

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Environmental (Clean Cities - 1010)				
		Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Revenues				
41402	Clean Cities	228,000	150,500	(77,500)
42005	Sponsorship	10,000	-	(10,000)
42006	Event Registration	3,000	-	(3,000)
Total Revenues		241,000	150,500	(90,500)
Expenditures				
73601	Seminars/Conferences	550	875	325
73613	Travel - Airfare	1,164		(325)
Total General Operations		1,714	875	-
Total Net Revenue Increase/(Decrease)				\$ (90,500)
Total Net Expenditure Increase/(Decrease)				\$ -

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Environmental (Clean Cities - 1010)			
	Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Expenditures			
General Operations			
65101 General Legal Services		7,744	7,744
85101 Consulting Labor		76,253	76,253
Total General Operations	-	83,998	83,998
Total Net Expenditure Increase/(Decrease)			\$ 83,998

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Environmental (Clean Cities - 1010)			
	Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Expenditures			
65101 General Legal Services	1,905	2,381	476
85101 Consulting Labor	158,095	100,391	(476)
Total General Operations	160,000	102,772	0
Total Net Expenditure Increase/(Decrease)			\$ 0

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Energy (Summary)			
	Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Revenues			
40601 WRCOG PACE Revenue	1,963,735	1,221,983	(741,752)
40602 SCE WRELP PH2	57,000	-	(57,000)
40603 CA PACE Revenue	7,615,461	5,840,266	(1,775,195)
40606 SCE WRELP	4,692	77,698	73,006
40607 WRCOG/CA PACE Commercial	27,500	64,278	36,778
40611 WRCOG PACE Recording	335,555	264,212	(71,343)
40612 SAMAS Recording	1,301,300	1,157,684	(143,616)
40613 Renovate Recording	1,200	-	(1,200)
40616 Community Choice Aggregation	247,950	102,095	(145,855)
40617 Energy Admin	31,678	30,000	(1,678)
42000 PACE Other Miscellaneous	-	428	428
Total Revenues	11,586,071	8,758,644	(2,827,427)
Expenditures			
Wages and Benefits			
60001 Wages & Salaries	47,234	90,316	2,301
Total Wages and Benefits	47,234	90,316	2,301
General Operations			
65101 General Legal Services	145,530	202,970	57,440
65505 Bank Fees	2,500	10,080	7,580
73102 Parking Validations	1,370	1,455	85
73107 Event Support	16,443	5,635	(209)
73108 General Supplies	3,156	3,524	368
73109 Computer Supplies	2,000	2,234	234
73110 Computer Software	1,000	-	(1,000)
73113 Membership Dues	2,400	250	(2,150)
73114 Subscriptions/Publications	425	1,205	780
73115 Meeting Support/Services	648	1,085	437
73116 Postage	2,800	2,998	198
73117 Other Household Expenditures	1,858	2,403	545
73125 EV Charging Equipment	49,605	60,490	10,885
73201 Communications-Regular	-	1,135	1,135
73204 Communications-Cellular	2,000	2,110	110
73209 Communications-Web Site	2,000	-	(2,000)
73601 Seminars/Conferences	370	2,160	1,790
73611 Travel - Mileage Reimbursement	1,615	3,619	2,004
73612 Travel - Ground Transportation	1,680	2,112	432
73613 Travel - Airfare	7,833	10,095	2,262
73620 Lodging	-	846	846
73640 Other Incidentals	2,224	4,516	2,292
85101 Consulting Labor	365,867	363,349	(1,910)
85102 Consulting Expenses	213,733	-	(10,037)
90101 Computer Equipment Purchases	3,000	3,116	116
Total General Operations	830,057	687,386	72,233
Total Net Revenue Increase/(Decrease)			\$ (2,827,427)
Total Net Expenditure Increase/(Decrease)			\$ 74,534

**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017**

Department: Energy (WRCOG HERO - 2006)			
	Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Revenues			
40601 WRCOG HERO Revenue	1,963,735	1,221,847	(741,888)
40607 WRCOG HERO Commercial	25,000	43,061	18,061
40611 WRCOG HERO Recording	335,555	264,132	(71,423)
40612 SAMAS Recording	-	285	285
40613 Renovate Recording	1,200	-	(1,200)
Total Revenues	2,325,490	1,529,325	(796,165)
Expenditures			
65101 General Legal Services	77,005	117,709	40,704
73102 Parking Validations	800	815	15
73110 Computer Software	1,000		(1,000)
73113 Membership Dues	2,400		(2,400)
73114 Subscriptions/Publications	-	258	258
73115 Meeting Support/Services	-	14	14
73204 Communications-Cellular	2,000	2,110	110
73209 Communications-Web Site	2,000		(2,000)
73612 Travel - Ground Transportation	1,378	1,706	328
73613 Travel - Airfare	5,000	6,794	1,794
73640 Other Incidentals	2,224	4,516	2,292
90101 Computer Equipment Purchases	3,000	3,116	116
Total General Operations	93,807	133,921	40,231
Total Net Revenue Increase/(Decrease)			\$ (796,165)
Total Net Expenditure Increase/(Decrease)			\$ 40,231

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Energy (SCE - 2010)				
		Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Revenues				
40602	SCE WRELP PH2	57,000	-	(57,000)
40606	SCE WRELP	4,692	77,698	73,006
Total Revenues		61,692	77,698	16,006
Expenditures				
65101	General Legal Services	6,080	6,289	209
73107	Event Support	16,443	5,635	(209)
Total General Operations		22,523	11,923	(0)
Total Net Revenue Increase/(Decrease)				\$ 16,006
Total Net Expenditures Increase/(Decrease)				\$ (0)

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Energy (Regional Street Lights - 2026)			
	Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Expenditures			
Wages and Benefits			
60001 Wages & Salaries	33,316	45,711	12,395
Total Wages and Benefits	33,316	45,711	12,395
General Operations			
65101 General Legal Services	27,445	39,131	11,686
73113 Membership Dues		250	250
73115 Meeting Support/Services	545	944	399
73611 Travel - Mileage Reimbursement	1,215	2,352	1,137
85101 Consulting Labor	216,275	222,221	5,946
Total General Operations	29,205	42,677	19,419
Total Net Expenditure Increase/(Decrease)			\$ 31,814

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Energy (Community Choice Aggregation - 2040)				
		Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Revenues				
40616	Community Choice Aggregation	247,950	102,095	(145,855)
	Total Revenues	247,950	102,095	(145,855)
Expenditures				
General Operations				
65101	General Legal Services	35,000	38,500	3,500
73115	Meeting Support/Services	103	127	24
73117	Other Household Expenditures		257	257
73601	Seminars/Conferences	370	2,160	1,790
73611	Travel - Mileage Reimbursement	400	1,267	867
73612	Travel - Ground Transportation	302	405	103
73613	Travel - Airfare	2,833	3,301	468
73620	Lodging		846	846
85101	Consulting Labor	149,592	141,128	(7,856)
	Total General Operations	35,103	46,864	0
Total Net Revenue Increase/(Decrease)				\$ (145,855)
Total Net Expenditure Increase/(Decrease)				\$ -

**Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017**

Department: Base (Energy Dept - 2100)				
		Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Revenues				
40617	Energy Admin	31,678	30,000	(1,678)
	Total Revenues	31,678	30,000	(1,678)
Expenditures				
Wages and Benefits				
60001	Wages & Salaries	17,989	1,808	(11,150)
	Total Wages and Benefits	17,989	1,808	(11,150)
General Operations				
73114	Subscriptions/Publications	425	690	265
73125	EV Charging Equipment	49,605	60,490	10,885
	Total General Operations	50,030	61,180	11,150
Total Net Revenue Increase/(Decrease)				\$ (1,678)
Total Net Expenditure Increase/(Decrease)				\$ (0)

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Spruce (2102)			
	Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Expenditures			
Wages and Benefits			
60001 Wages & Salaries	1,252	1,630	378
Total Wages and Benefits			378
General Operations			
65101 General Legal Services		1,341	1,341
73116 Postage		26	26
Total General Operations	-	1,367	1,367
Total Net Expenditure Increase/(Decrease)			\$ 1,745

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: CA First (2103)				
		Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Revenues				
40601	CA First Residential	-	137	137
40611	CA First Residential Recording	-	80	80
	Total Revenues	-	217	217
Expenditures				
Wages and Benefits				
60001	Wages & Salaries	609	1,286	677
	Total Wages and Benefits			677
General Operations				
73116	Postage		68	68
	Total General Operations	-	68	68
Total Net Revenue Increase/(Decrease)				\$ 217
Total Net Expenditure Increase/(Decrease)				\$ 894

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Energy (California HERO - 5000)				
		Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Revenues				
40603	CA PACE Revenue	7,615,461	5,840,266	(1,775,195)
40607	CA PACE Commercial Revenue	2,500	21,217	18,717
40612	CA PACE Recording Fee	1,301,300	1,157,399	(143,901)
42001	PACE Other Miscellaneous	-	428	428
Total Revenues		8,919,261	7,019,309	(1,899,952)
Expenditures				
Wages and Benefits				
60001	Wages & Salaries	191,547	222,955	31,408
Total Wages and Benefits		191,547	222,955	31,408
General Operations				
65505	Bank Fees	2,500	10,080	7,580
73102	Parking Validations	570	640	70
73108	General Supplies	3,156	3,524	368
73109	Computer Supplies	2,000	2,234	234
73114	Subscriptions/Publications		258	258
73116	Postage	2,800	2,904	104
73117	Other Household Expenditures	1,858	2,146	288
73201	Communications-Regular		1,135	1,135
85102	Consulting Expenses	213,733		(10,037)
Total General Operations		226,617	22,921	(0)
Total Net Revenue Increase/(Decrease)				\$ (1,899,952)
Total Net Expenditure Increase/(Decrease)				\$ 31,408

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Environmental (Summary)				
		Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Revenues				
41201	Solid Waste	93,415	93,163	(252)
41201	DOC - Litter	14,500	5,000	(9,500)
41401	Riverside Used Oil	25,000	24,500	(500)
Total Revenues		132,915	122,663	(10,252)
Expenditures				
Wages and Benefits				
60001	Wages & Salaries	41,172	54,342	13,170
60010	Temp Wages & Salaries	3,380	-	(3,380)
Total Wages and Benefits		44,552	54,342	9,790
General Operations				
73102	Parking Validations	115	220	105
73107	Event Support	34,602	47,660	16,478
73110	Computer Software	113	138	25
73113	Membership Dues	1,500	-	(1,500)
73114	Subscriptions/Publications	3,000	-	(3,000)
73119	Storage	16,000	6,671	(3,339)
73120	Printing Services	2,012	-	(2,012)
73204	Communications-Cellular	-	313	313
73405	Insurance - General/Business Liason	175	360	185
73611	Travel - Mileage Reimbursement	764	1,145	381
73703	Supplies/Materials	16,200	4,474	(11,726)
73704	Newspaper Ads	15,000	12,200	(2,800)
73706	Radio & TV Ads	51,333	73,133	21,800
85102	Consulting Expenses	6,000	-	(6,000)
Total General Operations		146,814	146,313	8,909
Total Net Revenue Increase/(Decrease)				\$ (10,252)
Total Net Expenditure Increase/(Decrease)				\$ 18,700

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Environmental (Solid Waste - 1038)				
		Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Revenues				
41201	Solid Waste	93,415	93,163	(252)
Total Revenues		93,415	93,163	(252)
Expenditures				
73107	Event Support	3,792	24	(473)
73110	Computer Software	113	138	25
73204	Communications-Cellular		313	313
73611	Travel - Mileage Reimbursement	500	635	135
Total General Operations		4,405	1,110	(0)
Total Net Revenue Increase/(Decrease)				\$ (252)
Total Net Expenditure Increase/(Decrease)				\$ (0)

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Environmental - (Riverside Used Oil - 2032)			
	Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Expenditures			
Wages and Benefits			
60001 Wages & Salaries	26,420	36,861	10,441
Total Wages and Benefits	26,420	36,861	10,441
General Operations			
73102 Parking Validations	115	220	105
73107 Event Support	28,000	43,470	15,470
73113 Membership Dues	1,500		(1,500)
73114 Subscriptions/Publications	3,000		(3,000)
73119 Storage	16,000	6,671	(3,339)
73120 Printing Services	2,012		(2,012)
73405 Insurance - General/Business Liason	175	360	185
73703 Supplies/Materials	15,000	300	(14,700)
73704 Newspaper Ads	15,000	12,200	(2,800)
73706 Radio & TV Ads	51,333	58,483	7,150
85102 Consulting Expenses	6,000		(6,000)
Total General Operations	50,802	50,721	(10,441)
Total Net Expenditure Increase/(Decrease)			\$ 0

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Environmental - (Used Oil OPP6 - 2033)				
		Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Revenues				
41401	Riverside Used Oil	25,000	24,500	(500)
	Total Revenues	25,000	24,500	(500)
Expenditures				
Wages and Benefits				
60001	Wages & Salaries	7,886	9,844	1,958
	Total Wages and Benefits	7,886	9,844	1,958
General Operations				
73107	Event Support	1,574	3,665	2,091
73706	Radio & TV Ads	-	14,650	14,650
	Total General Operations	1,574	18,315	16,741
Total Net Revenue Increase/(Decrease)				\$ (500)
Total Net Expenditure Increase/(Decrease)				\$ 18,699

Western Riverside Council of Governments
Annual Budget
For the Year Ending June 30, 2017

Department: Environmental - (Riverside Recycle - 2034)				
		Approved 6/30/2017 Budget	Thru 6/30/2017 Actual	Amendment Needed 6/30/2017
Revenues				
41201	DOC - Litter	14,500	5,000	(9,500)
Total Revenues		14,500	5,000	(9,500)
Expenditures				
Wages and Benefits				
60001	Wages & Salaries	6,866	7,637	771
60010	Temp Salary	3,380	-	(3,380)
Total Wages and Benefits		10,246	7,637	(2,609)
General Operations				
73107	Event Support	1,236	501	(610)
73611	Travel - Mileage Reimbursement	264	510	246
73703	Supplies/Materials	1,200	4,174	2,974
Total General Operations		2,700	5,184	2,609
Total Net Revenue Increase/(Decrease)				\$ (9,500)
Total Net Expenditure Increase/(Decrease)				\$ 0



Western Riverside Council of Governments

Finance Directors' Committee

Staff Report

Subject: Selection of WRCOG Finance Directors' Committee Chair, Vice-Chair, and 2nd Vice-Chair Positions for Fiscal Year 2017/2018

Contact: Ernie Reyna, Chief Financial Officer, reyna@wrcog.ca.us, (951) 955-8432

Date: July 27, 2017

The purpose of this item is to provide the Finance Director's Committee with a possible selection of Chair, Vice-Chair, and 2nd Vice-Chair, based on WRCOG's Executive Committee leadership election for Fiscal Year 2017/2018.

Requested Action:

1. Select WRCOG Finance Directors' Committee Chair, Vice-Chair, and 2nd Vice-Chair positions for Fiscal Year 2017/2018.

The WRCOG Executive Committee approves its leadership nominations in June for adoption by the WRCOG General Assembly. For Fiscal Year 2017/2018, Mayor Pro Tem Debbie Franklin, City of Banning, was selected as Executive Committee Chair; Supervisor Chuck Washington, Riverside County Board Supervisor, was selected as Vice-Chair; and Councilmember Bonnie Wright, City of Hemet, was selected as 2nd Vice-Chair. If the Finance Directors' Committee follows the same structure with its appointments, the positions of Chair, Vice-Chair, and 2nd Vice-Chair for Fiscal Year 2016/2017 will be as follows:

Chair:	Rochelle Clayton, City of Banning
Vice-Chair:	Ivan Chand, County of Riverside
2nd Vice-Chair:	Joy Canfield, City of Hemet

Prior Action:

None.

Fiscal Impact:

There is no fiscal impact to WRCOG's Fiscal Year 2017/2018 Budget.

Attachment:

None.

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Western Riverside Council of Governments

Finance Directors' Committee

Staff Report

Subject: Regional Streetlight Program Activities Update

Contact: Tyler Masters, Program Manager, tmasters@wrcog.us, (951) 955-8378

Date: July 27, 2017

The purpose of this item is to provide the Committee with an update on the regional financing next steps that member jurisdictions can utilize as they begin to acquire their streetlights, retrofit to LED lights, and continue to participate in the Program.

Requested Action:

1. Discuss and provide input.

WRCOG's Regional Streetlight Program will assist member jurisdictions with the acquisition and retrofit of their Southern California Edison (SCE)-owned and operated streetlights. The Program has three phases, which include 1) streetlight inventory; 2) procurement and retrofitting of streetlights; and 3) ongoing operations and maintenance. The overall goal of the Program is to provide significant cost savings to member jurisdictions.

Background

At the direction of the Executive Committee, WRCOG has developed a Regional Streetlight Program that will allow jurisdictions (and Community Service Districts) to purchase the streetlights within their boundaries that are currently owned / operated by SCE. Once the streetlights are owned by the member jurisdiction, the lamps will then be retrofitted to Light Emitting Diode (LED) technology to provide more economical operations (i.e., lower maintenance costs, reduced energy use, and improvements in public safety). Local control of the streetlight system allows jurisdictions opportunities to enable future revenue generating opportunities such as digital-ready networks, and telecommunications and IT strategies.

The goal of the Program is to provide cost-efficiencies for local jurisdictions through the purchase, retrofit, and maintenance of streetlights within jurisdictional boundaries, without the need of additional jurisdictional resources. As a regional Program, WRCOG is working with jurisdictions to move through the acquisition process, develop financing recommendations, develop / update regional and community-specific streetlight standards, and implement a regional operations and maintenance agreement that will increase the level of service currently being provided by SCE.

Regional streetlight acquisition update: The following jurisdictions have approved City Council action / direction to acquire the SCE-owned streetlights in their jurisdiction's boundaries (this accounts for approximately 47,000 of the 55,000 acquirable streetlights in the subregion):

October 18, 2016 / March 21, 2017:	City of Moreno Valley
January 24, 2017:	City of Lake Elsinore
February 15, 2017:	City of Menifee
February 28, 2017:	City of Temecula
March 7, 2017:	City of Murrieta

March 8, 2017:	City of Wildomar
March 13, 2017:	Jurupa Community Services District
March 14, 2017:	City of Hemet
March 28, 2017:	City of Perris
March 28, 2017:	City of San Jacinto
April 12, 2017:	City of Eastvale

Next steps: As of August 2015, SCE is no longer allowing jurisdictions to start discussions to acquire the streetlights within their jurisdictional boundaries. All WRCOG member jurisdictions pre-dated this deadline and were provided the opportunity to assess streetlight acquisition opportunities. The member jurisdictions listed above have deemed it feasible to move forward, have met all SCE deadlines, and will continue with the streetlight acquisition process.

To date, eleven WRCOG member jurisdictions have approved the Purchase and Sales Agreement. Upon the signing of the Agreement by the City Manager, city staff will distribute the document to SCE where they will package the Agreement and send it to the California Public Utilities Commission (CPUC). This process can take anywhere from six to 12 months (depending on valuation price). Jurisdictions with estimated streetlight sales prices exceeding \$5 million will move forward in the CPUC as a “full filing,” which require CPUC action and can take upwards of six to 12 months for approval. For those jurisdictions with estimated streetlights sales prices of under \$5 million, those will move forward in the CPUC as an “advice filing,” and can be administratively approved within two to six months.

In June 2017, SCE presented all participating cities with a first amendment to its Purchase and Sales Agreements, which includes one of two things. The first is a potential decrease in the overall price of the streetlight systems to include the additional depreciation of the streetlight systems from the original 2015/2016 valuation. The second included a minor increase in the transition cost, from \$30.00 per pole to \$32.15 per pole. The transition cost component of the Agreement includes the time and materials that SCE’s contractor will take during the acquisition and transition process when converting a streetlight from SCE-ownership to jurisdictional-ownership. Once the Amendment has been signed by the jurisdiction and sent to SCE, it will be packaged and sent to the CPUC for review and approval. WRCOG staff has been informed by CPUC staff that they will be working in an efficient and expeditious manner to review and approve the Agreements within a 45-60 day timeframe.

During this timeframe, WRCOG staff will be working with the member jurisdictions on identifying a regional financing option, preparing the member jurisdictions for the transfer of streetlights, hosting a workshop to assist interested jurisdictions with new development, and selecting a vendor to provide the services of ongoing retrofit, operation and maintenance.

Recently, WRCOG staff and its financial consultants, Public Financial Management (PFM), held finance meetings with the jurisdictions moving forward with the streetlight acquisition to provide an update on the regional financing option that Bank of America can provide. During these meetings, WRCOG staff and PFM informed jurisdictional staff about the draft leasing documents that will be distributed to them for upcoming City Council / Board approval as well as informing the jurisdictions about their updated cash flow models which take into account the funding amount that each jurisdiction will need to purchase the streetlights, retrofit them to LED, operate and maintain the streetlights, and implement a re-lamp reserve for future LED lighting.

Financing update

In March 2016, WRCOG, with support from its Financial Advisor, PFM, released a Requests for Bids (RFB) to identify financing institutions with the opportunity to finance the costs of both streetlight acquisition and LED retrofit, and services associated with each. In September 2016, WRCOG’s Executive Committee recommended, for jurisdictions interested in using financing for the acquisition and retrofitting of streetlights, to utilize Banc of America Public Capital Corporation (BAPCC), which was deemed most responsive by WRCOG staff and its Financial Advisor, PFM, during the bid process for being able to provide the most competitive financing for the Regional Streetlight Program.

PFM and WRCOG staff have worked with BAPCC this past year to develop the following financing structure:

Structure	Equipment Leaser Purchase Agreement
Lessee	Jurisdiction
Lessor	Banc of America Public Capital Corp
Security	Security interest in the equipment being financed will be evidenced by filing a UCC-1 Financing Statement with respect to the equipment
Term	Up to 15 years, plus installation period not to exceed 12 months
Financed Amount	Amount adequate to purchase and retrofit to LED all streetlights and any reasonable related soft costs.
Indicative Interest Rate	Based on the average life U.S Treasury Rate Swap plus a spread. *Taxable rate recommended
Payments	Semi-annual payments of principal and interest
Option Prepayment	In whole on an payment date after the 5 th anniversary of the closing date with a 2% premium
Optional payments in addition to Principal & Interest	Program established: Operation & Maintenance including administration, relamp reserve
Revenue Generation	Unrestricted by lessor

* Taxable rate recommended to retain revenue potential due to revenue generation restrictions on tax-exempt financing and SB649.

Attached is the draft Implementation Agreement for review. The Implementation Agreement will serve as the Agreement between WRCOG and interested member jurisdictions to provide retrofit, operations & maintenance, and asset management services. Additionally, staff will work to provide the draft Lease and Escrow Agreement, under separate cover, before the Finance Director Committee meets on July 27th, otherwise these agreements will be distributed to member jurisdictions shortly thereafter. Upon internal City review, documents can be taken to City Council for approval in Summer/Fall 2017.

PFM will provide a presentation on financing and next steps, and how financing will align with each jurisdiction's acquisition of streetlight and retrofit to LED fixtures.

Request for Proposal (RFP) for streetlight retrofit and operations & maintenance

On March 10, 2017, WRCOG released an RFP for streetlight retrofit and operations & maintenance of the lighting fixtures that are going to be acquired on behalf of the participating jurisdictions. With several jurisdictions moving forward with the acquisition of the streetlights, SCE will no longer provide operations or maintenance on the acquired poles. SCE will continue to maintain any of the underground wiring that connects these streetlights to SCE's grid; however, the city will own, and need to maintain and operate, the streetlight fixture and pole from the base of the pole and up.

The purpose of releasing the RFP is to select a vendor that will provide cost effective retrofit and operation & maintenance needs to support the transition of current streetlight technologies (high- and low-pressure sodium vapor) lights to LED lighting, maintain / respond to streetlight knockdown / damaged poles, keeping in account economies of scale and increasing the level of services to the participating jurisdictions in Western Riverside County. Furthermore, the selected vendor will work with WRCOG and jurisdictional staff to provide supplemental assistance with the recording documents of each streetlight, installation of housing shields, complying with all state mandated laws, and coordinating with the removal and disposal of any existing luminaire heads / hazardous materials.

WRCOG received seven responses to the RFP and is in the process of reviewing the submittals. WRCOG staff, PFM, and representatives from four member jurisdictions comprise the Evaluation Committee. The Evaluation Committee reviewed the proposals, and have interviewed the top proposers during the week of June 19, 2017. The Evaluation Committee is currently working on identifying a top candidate for streetlight retrofit and operations & maintenance for Western Riverside County. Upon selection of a top candidate,

WRCOG staff will report out to WRCOG's Committee structure in the coming months to provide the results of the process.

Prior Action:

June 5, 2017: The Executive Committee received report.

Fiscal Impact:

Activities for the Regional Streetlight Program are included in the Agency's adopted Fiscal Year 2017/2018 Budget.

Attachment:

1. Draft Implementation Agreement.

Item 5.B

Regional Streetlight Program Activities Update

Attachment 1

Draft Implementation Agreement

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**IMPLEMENTATION AGREEMENT BETWEEN THE WESTERN RIVERSIDE
COUNCIL OF GOVERNMENTS AND [***MEMBER AGENCY NAME***] TO
IMPLEMENT THE MAINTENANCE AND REPAIR PROGRAM FOR
STREETLIGHTS**

This Implementation Agreement (“Agreement”) is entered into as of _____, 2017 (“Effective Date”) by and between the WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS (“WRCOG”), a joint powers authority formed under Government Code sections 6500 et seq., and [***MEMBER AGENCY NAME***] (“Member Agency”), a public agency formed under the laws of the State of California. WRCOG and the Member Agency are sometimes collectively referred to in this Agreement as the “Parties” or individually as a “Party.”

RECITALS

WHEREAS, various cities within Riverside County and the County of Riverside entered into a Joint Powers Agreement on April 1, 1991, as amended from time to time, to create WRCOG (the “JPA”); and

WHEREAS, Member Agency is a signatory to the JPA; and

WHEREAS, Article VIII of the JPA permits any WRCOG member agency, when authorized by the Executive Committee, to execute an Implementation Agreement for the purpose of authorizing WRCOG to implement, manage and administer area-wide and regional programs in the interest of the local public welfare; and

WHEREAS, the JPA permits WRCOG, when authorized by an Implementation Agreement, to make and enter into such contracts, incur such debts and obligations, assess contributions from the members, and perform such other acts as are necessary to the accomplishment of the purposes of such agreement; and

WHEREAS, over the course of 2016 and 2017, WRCOG negotiated a template purchase and sale agreement, and other associated agreements, with Southern California Edison (“SCE”) to permit WRCOG’s member agencies to acquire streetlights from SCE; and

WHEREAS, the Member Agency desires to acquire such street lights from SCE and retrofit such lights with certain energy efficiency improvements; and

WHEREAS, the Member Agency intends to enter into that lease agreement with Banc of America Capital & Leasing LLC (the “Lease Agreement”) in order to finance the acquisition, installation and retrofitting of streetlights within its jurisdiction; and

WHEREAS, as a condition of such Lease Agreement, the Member Agency must properly maintain, repair and replace such streetlights during the term of the Lease Agreement; and

WHEREAS, WRCOG member agencies have the common power to implement and administer the maintenance, repair and replacement of streetlights in their jurisdictions; and

WHEREAS, WRCOG and the Member Agency desire to enter into this Agreement in order to authorize WRCOG to implement and administer the maintenance, repair and replacement of street lights on behalf of Member Agency within the Member Agency's jurisdiction ; and

WHEREAS, the Executive Committee has authorized WRCOG to enter into this Agreement.

NOW, THEREFORE, the Parties hereby understand and agree as follows:

AGREEMENT

1. Maintenance, Repair, and Access

1.1 WRCOG shall provide regular maintenance and repair for those streetlights listed in Exhibit A, attached hereto and incorporated herein located in Member Agency's jurisdiction. Maintenance and repair activities shall consist of repair of electrical wiring and light fixtures, replacement of burned-out lamps, repair and replacement of damaged equipment caused by auto accidents and vandalism, and marking the location of underground electrical conduits for the Dig Alert: Underground Service Alert program, as needed.

1.2 In addition to such regular maintenance and repair, WRCOG shall provide capital replacement services for such street lighting, otherwise known as "Re-lamping Services."

1.3 WRCOG shall conduct such maintenance and repair activities on an as required basis. Non-emergency and emergency maintenance may be performed at Member Agency's request, but will be subject to the provisions of Section 4 of this Agreement.

1.4 WRCOG shall provide streetlight system reviews and reports including a summary of system activities on an annual basis.

1.5 In order for WRCOG to perform such maintenance, repair and Re-lamping Services, Member Agency hereby grants to WRCOG a no-cost license and right to access the streetlights and adjacent Member Agency properties and rights-of-way for the sole purpose of performing the services under this Agreement. This license and right-of-access shall run concurrently with the Agreement.

2. Member Agency Payments

2.1 Member Agency shall make semi-annual payments of _____ dollars (\$____.00) ("Semi-Annual Payment") to cover the costs associated with the retrofit, maintenance and repair activities provided by WRCOG under Section 1.1 hereof. Each Semi-Annual Payment shall be made on or before _____ 1 and _____ 1 of each year following the execution of this Agreement. The amount of the first payment shall be prorated based on the Effective Date of the Agreement and shall be payable upon execution of the Agreement ("Initial Payment"). The Initial Payment and Semi-Annual Payment shall be made directly to an account held by [***INSERT NAME***] (the "Paying Agent") pursuant to the Paying Agent Agreement dated _____, 2017 between the Member Agency and the Paying Agent by wire transfer as follows: [***INSERT INFORMATION***].

2.2 The fees and cost associated with Re-lamping Services shall be funded by monies held in a subaccount of the Re-lamping Reserve Fund established under the Paying Agent Agreement to be

entitled "City of [Member Name] Re-lamping Reserve Account" (the "Re-lamping Reserve Subaccount"). The Member Agency shall make a payment to the Paying Agent in the amount of \$_____ semi-annually on _____ 1 and _____ 1 beginning on _____ 1, 20__ for deposit into the Re-lamping Reserve Subaccount. In the event of a deficiency in the Re-lamping Reserve Subaccount to make payment on any of amounts due for fees and costs associated with the Re-lamping services for the Member Agency, the Member Agency shall deposit an amount equal to the deficiency in the Re-lamping Reserve Subaccount.

2.3 The Member Agency hereby grants WRCOG the authority to provide the Paying Agent with instructions on requisitions from the Annual Maintenance Fund and the Re-lamping Subaccount. WRCOG shall maintain records of payment relating to expenditures from such funds.

2.4 The Member Agency and WRCOG acknowledges that if insufficient funds are appropriated to make payments pursuant to the Lease Agreement or any payments required pursuant to this Agreement, the Paying Agent shall use amounts on deposit as follows:

First, deposit moneys into the Debt Service Fund;

Second, then the Annual Maintenance Fund to the extent available;

Third, to replenish amounts in the Re-lamping Reserve Subaccount to the extent available.

3. Initial Cut-Over Process and Installation of LED Lights

Upon transfer of the streetlights to the Member Agency, WRCOG shall coordinate and manage the cut-over process involving the removal of SCE tags and replacement with new tags for tracking purposes. WRCOG shall also coordinate and manage the retrofitting of the streetlights identified in Section 1 of this Agreement with Member Agency-approved LED luminaires. *****INSERT PROVISIONS RELATING TO REIMBURSEMENT FOR COSTS OF THIS PROCESS*****

4. Emergency Maintenance

WRCOG shall perform, only at the express request of the Member Agency, emergency maintenance activities for the streetlights identified in Section 1 of this Agreement. Emergency maintenance performed by WRCOG pursuant to this Section shall be charged to Member Agency directly on a time and materials basis. When emergency maintenance services are provided hereunder, WRCOG shall submit to Member Agency a monthly invoice by the 15th of the month immediately following the month in which the services were performed. Member Agency shall then pay said invoice in full within thirty (30) days following its receipt of the invoice.

5. Term, Termination, and Default

5.1 This Agreement shall commence on the Effective Date set forth above and continue in perpetuity unless and until otherwise modified or terminated by any Party under the terms of this Agreement.

5.2 Upon written notice of not less than *****INSERT TIME FRAME***** year, either Party may terminate this Agreement without cause. Termination shall not relieve the Party of its

proportionate share of any debts or other liabilities incurred under this Agreement prior to the effective date of the Party's notice of termination.

5.3 If any payment due from Member Agency is not received by WRCOG when due, the amount shall bear interest at the maximum legal rate. In addition, Member Agency shall pay to WRCOG an additional sum of ten percent (10%) of the overdue payment as a late charge. The Parties agree that this late charge represents a fair and reasonable estimate of the administrative costs that WRCOG will incur by reason of a late payment by Member Agency. Acceptance of any late payment charge shall not constitute a waiver from exercising any of the other rights and remedies available to WRCOG under this Agreement, at law or in equity, including, but not limited to, any interest charges imposed herein. Furthermore, if Member Agency has not made any payment due under this Agreement within thirty (30) days following the due date, WRCOG may terminate this Agreement for cause. Termination of this Agreement by WRCOG for cause shall not relieve Member Agency of its proportionate share of any debts or other liabilities incurred under this Agreement prior to the effective date of the WRCOG's notice of termination

6. Environmental Review

WRCOG shall be the lead agency under the California Environmental Quality Act for any environmental review that may be required under this Agreement.

7. Cooperative Effort

Member Agency shall cooperate with WRCOG by providing information and other assistance in order for WRCOG to meet its obligations hereunder.

8. Miscellaneous Provisions

8.1 Notice. Any and all communications and/or notices in connection with this Agreement shall be either hand-delivered or sent by United States first class mail, postage prepaid, and addressed as follows:

WRCOG:

Western Riverside Council of Governments
4080 Lemon Street, 3rd Floor. MS1032
Riverside, CA 92501-3609
Att: Executive Director

MEMBER AGENCY:

*****INSERT ADDRESS*****

8.2 Entire Agreement. This Agreement, together with the JPA and WRCOG By-laws, constitutes the entire agreement among the Parties. This Agreement supersedes any and all other agreements, either oral or in writing, among the Parties with respect to the subject matter hereof and contains all of the covenants and agreements among them with respect to said matters, and each Party acknowledges that no representation, inducement, promise of agreement, oral or otherwise, has been made by the other Party or anyone acting on behalf of the other Party that is not embodied herein.

8.3 Successors and Assigns. This Agreement and each of its covenants and conditions shall be binding on and shall inure to the benefit of the Parties and their respective successors and assigns. A Party may only assign or transfer its rights and obligations under this Agreement with prior written approval of the other Party, which approval shall not be unreasonably withheld.

8.4 Attorney's Fees. If any action at law or equity, including any action for declaratory relief is brought to enforce or interpret the provisions of this Agreement, each Party to the litigation shall bear its own attorney's fees and costs.

8.5 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, as applicable. Venue shall be in Riverside County.

8.6 No Third Party Beneficiaries. This Agreement shall not create any right or interest in the public, or any member thereof, as a third party beneficiary hereof, nor shall it authorize anyone not a Party to this Agreement to maintain a suit for personal injuries or property damages under the provisions of this Agreement. The duties, obligations, and responsibilities of the Parties to this Agreement with respect to third party beneficiaries shall remain as imposed under existing state and federal law.

8.7 Severability. In the event one or more of the provisions contained in this Agreement is held invalid, illegal or unenforceable by any court of competent jurisdiction, such portion shall be deemed severed from this Agreement and the remaining parts of this Agreement shall remain in full force and effect as though such invalid, illegal, or unenforceable portion had never been a part of this Agreement.

8.8 Headings. The paragraph headings used in this Agreement are for the convenience of the Parties and are not intended to be used as an aid to interpretation.

8.9 Amendment. This Agreement may be modified or amended by the Parties at any time. Such modifications or amendments must be mutually agreed upon and executed in writing by both Parties. Verbal modifications or amendments to this Agreement shall be of no effect.

IN WITNESS WHEREOF, THE PARTIES HERETO have executed this Agreement to be in effect as of the date last signed below.

WRCOG
Western Riverside Council of Governments

Member Agency
*****INSERT ENTITY NAME*****

By: _____
Executive Director

By: _____
*****INSERT TITLE*****

Date: _____

Date: _____

ATTEST:

By: _____
*****INSERT TITLE*****

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: _____
General Counsel

By: _____
*****INSERT TITLE*****



Western Riverside Council of Governments Finance Directors' Committee

Staff Report

Subject: CalPERS Presentation on Pension Costs

Contact: Ernie Reyna, Chief Financial Officer, ereyna@wrcog.us, (951) 955-8432

Date: July 27, 2017

The purpose of this item is to provide information to the Committee relating to future pension costs.

Requested Action:

1. Receive and file.
-

Staff from CalPERS will provide a presentation to the Finance Directors' Committee that is relevant to each jurisdiction.

Prior Action:

None.

Fiscal Impact:

This item is informational only; therefore, there is no fiscal impact.

Attachment:

None.