

March 6, 2009

To: Honorable Mayor Gayle McLaughlin
Members of the City Council

From: Finance, Administrative Services and Economic Development Committee

SUBJECT: SUMMARY
Finance, Administrative Services and Economic Development Committee
Friday, March 6, 2009, 9:08 a.m.

Attendance: Present: Members Butt, Rogers, and Vice Mayor Lopez

Absent: None.

FINANCE, ADMINISTRATIVE SERVICES AND ECONOMIC DEVELOPMENT COMMITTEE

Election of the Finance Standing Committee Chair and Vice Chair – On motion of Councilmember Rogers, seconded by Vice Mayor Lopez, elected Councilmember Butt as Chair, and Vice Mayor Lopez as Vice Chair by the unanimous vote of the Committee.

On motion of Councilmember Rogers, seconded by Vice Mayor Lopez approved to forward to full Council all items under the Consent Calendar with an (-) without discussion by the unanimous vote of the Committee.*

Acknowledge receipt of the City of Richmond's Comprehensive Annual Financial Report for the year ended June 30, 2008.

- Tina McKenney, Finance Department, gave an update on the Comprehensive Annual Financial Report. She introduced auditors from Maze and Associates and two senior accountants from the City of Richmond.
- Chair Lopez stated that the report was very well written and stated interesting things to highlight were the increase in high tech and light industrial business in the city and that there are a great number of small businesses. The strategic report was thorough and positive in terms of things that the city has done to stay above water regarding paying our obligations for retiree benefits. She also stated that we are continuing to upgrade our systems to have strong internal control of our finances. Our bond rating has stayed very strong from an A to an A+. She congratulated the Finance Department.
- Chair Lopez asked about the Richmond Housing Authority deficit in total assets on page 24.

- The Finance Department representative stated that was just a component unit of the Richmond Housing Authority; the details were shown on page 38. The Finance Department will furnish a different detailed audit report to the Finance Committee at a later date.
- Finance Director Jim Goins stated that the Civic Center Plaza move was on task and scheduled to begin on April 17, 2009. He also stated that the Finance Department is in the process of restructuring the debt and would bring back to Council for approval in September 2009.

OUTCOME:

On motion of Chair Lopez, seconded by Councilmember Rogers acknowledged receipt of the City of Richmond's Comprehensive Annual Financial Report by the unanimous vote of the Committee.

**- Review of the City's Investment Report and Cash Balance Report for the month of September 2008.*

**- Review of the City's Check Register dated February 26, 2009.*

*Withdrew from the agenda at staff's request - **CONSIDER**: recommending adoption of a resolution authorizing the transfer of Agency funds to the Planning Department in an amount not to exceed \$180,000 for costs related to the development of a pilot form-based code for commercial corridors focusing on portions of 23rd Street associated with the 23rd Street Streetscape Improvement Project, and approving a contract with Opticos Design, Inc. in the amount of \$115,000 to develop the pilot code.*

**- Consider recommending a professional services contract with the Crosby Group to design the Dornan Drive Tunnel Repair and Rehabilitation Project for an amount not to exceed \$158,000.*

Consider recommending approval of a second amendment to the existing construction management services contract with Harris & Associates, Inc. to provide additional construction management services and to improve and update Engineering Services inspection policies and procedures for an amount not to exceed \$400,000.

- Engineering Manager Edric Kwan gave an overview of the item.

OUTCOME:

On motion of Councilmember Rogers, seconded by Councilmember Butt, recommended approval of the item to the Council by the unanimous vote of the Committee.

Consider directing staff to place excess workers' compensation insurance coverage with the California State Association of Counties - Excess Insurance Program (CSAC-EIA) for coverage effective April 18, 2009, and execute the Joint Powers Authority Agreement and the Excess Workers' Compensation Memorandum of Understanding as required.

- Risk Manager Robyn Kain gave an overview of the item.
- Chair Lopez asked what is the City's average claim in terms of pay off.
- Robyn Kain stated that she ran a report of all claims in excess of \$250,000 and - over the last 30 plus years, the City has had 35 claims which amounted to approximately one per year. The average would be around \$7,000 to \$8,000 per claim.
- Chair Lopez asked for an explanation of what the \$1 million dollars represents.
- Robyn Kain stated that \$1 million dollars is the amount of money the City pays on each worker's compensation claim; after the \$1 million dollars the excess insurance starts paying on the claim.
- Robyn Kain stated this item would be reviewed annually.

OUTCOME:

On motion of Councilmember Rogers, seconded by Chair Lopez, recommended approval of the item to the Council by the unanimous vote of the Committee.

Discuss the continuation of the consent calendar process for Finance Standing Committee items.

OUTCOME:

Councilmember Rogers gave an overview of the item and recommended that the Finance Committee continue the consent calendar process which would include all items below \$200,000.

OPEN FORUM/PUBLIC COMMENT

There were no public speakers

NOTES:

The Finance Committee agreed to hold their next meeting on Thursday, April 2, and changed their regular meetings to once a month on the first Friday of each month for all future meetings.

Chair Lopez requested the following item be placed on the next Finance Committee Meeting: Discussion regarding community meetings to discuss the budget.

ADJOURNED

The meeting adjourned at 9:53 a.m. to meet again on Thursday, April 2, 2009.