

RICHMOND, CALIFORNIA, June 27, 2023

Community Services Building
440 Civic Center Plaza
Richmond, CA 94804

F. JOINT SPECIAL MEETING OF THE RICHMOND HOUSING AUTHORITY / RICHMOND CITY COUNCIL

The Joint Special Meeting of the Richmond Housing Authority/Richmond City Council was called to order at 6:38 p.m. by Chair/Mayor Eduardo Martinez.

G. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Chair/Mayor Eduardo Martinez.

H. ROLL CALL

Present: Commissioners/Councilmembers Soheila Bana, Claudia Jimenez, Doria Robinson, Melvin Willis, Cesar Zepeda, Vice Chair/Vice Mayor Gayle McLaughlin Chair/Mayor Eduardo Martinez, and Tenant Commission Jaycine Scott. **Absent:** None.

I. STATEMENT OF CONFLICT OF INTEREST

None.

J. REPORT FROM THE EXECUTIVE DIRECTOR

Interim Housing Authority Director Gabino Arredondo announced that there was a celebration scheduled on June 29, 2023, at 11:00 a.m. for the opening of Hacienda.

K. AGENDA REVIEW

Chair/Mayor Martinez requested the city attorney's input on how the vote for L.1 should be taken up considering that some portions of the action pertained to City Council and others to the Housing Authority. City Attorney Dave Aleshire advised that Council could take each action up in separate motions.

L. JOINT RICHMOND HOUSING AUTHORITY / RICHMOND CITY COUNCIL BUDGET SESSION

L.1 Annual Review and Adoption of Financial Policies for Fiscal Year 2022-23 and Fiscal Year 2023-24 (Cash Reserve, OPEB Funding, Pension Funding, RHA – City Administrative Services Agreement)

REVIEW and ADOPT resolutions for the Cash Reserve Policy, OPEB Funding Policy, Pension Funding Policy, and Richmond Housing Authority/City of Richmond agreement, and resolutions for Fiscal Year 2022-2023 and Fiscal Year 2023-2024 – Finance Department (Nickie Mastay 510-620-6609/Mubeen Qader 510-412-2077/Gabino Arredondo 510-621-1300).

City Manager Shasa Curl introduced the item. Ms. Curl, Deputy Finance Director Mubeen Qader, Interim Housing Authority Director Gabino Arredondo, and Deputy City Manager Nickie Mastay presented a PowerPoint highlighting the following: Introduction; Policies Updates after Five-Year Financial Forecast and Budget; City's Response to State Corrective Action Plan (4 of 11 Recommendations); State Auditor's Recommendation 8, Richmond Housing Authority (RHA)-City Agreement; RHA-City Agreement Highlights; State Auditor's Recommendation 1, Cash Reserve Policy; Cash Reserve Policy - GFOA Guidelines; Cash Reserve Policy Five-Year Financial Forecast; Cash Reserve

Policy Recommendation; State Auditor Recommendation 4, Retirement-Related Costs (Pension Funding); Pension Funding Background; Pension Funding Policy Recommendation; State Auditor's Recommendation 5, Other Post-Employment Benefits (OPEB); OPEB Funding Background; OPEB Funding Policy Recommendation; and Next Steps.

Discussion ensued. The Commission/Council requested clarification on who was voting on the Housing Authority portion of the item, who was voting on the City Council portion of the item and how the items in the recommended action should be taken up. Chair/Mayor Martinez decided to take action on each portion of the recommended action in separate votes with the Council items going forward first and the Richmond Housing Authority item last.

Discussion on the Cash Reserve Policy recommendation ensued. The Council requested that staff provide a list of cities that have fifty percent cash reserve. Further discussion ensued. Mayor Martinez asked for public comment; there were no public speakers.

A motion was made by Councilmember Jimenez, seconded by Mayor Martinez to adopt a resolution approving a Cash Reserve Policy which has a floor of 17 percent to 22 percent.

A substitute motion was made by Vice Mayor McLaughlin, seconded by Councilmember Bana to adopt a resolution making the specific number for the Cash Reserve Policy 21 percent.

The substitute motion passed by the following vote: **Ayes:** Councilmembers Soheila Bana, Doria Robinson, Melvin Willis, Cesar Zepeda, and Vice Mayor Gayle McLaughlin. **Noes:** Mayor Eduardo Martinez. **Abstentions:** Councilmember Claudia Jimenez. **Absent:** None.

Adopted Resolution No. 64-23

Discussion on the Pension Funding Policy ensued.

A motion was made by Councilmember Bana, seconded by Councilmember Willis to adopt the resolution recommended by staff regarding the Pension Funding Policy.

A substitute motion was made by Councilmember Jimenez, seconded by Mayor Martinez to adopt a resolution approving contributions of 10 percent of each year-end operating surplus in the General Fund in excess of City's Cash Reserve Policy into the 115 trust and also to direct staff to present to council a comparison analysis of the benefits of paying funds to CalPERS directly versus putting money in the 115 trust.

The substitute motion passed by the following vote: **Ayes:** Councilmembers Claudia Jimenez, Doria Robinson, Melvin Willis, Cesar Zepeda, Vice Mayor Gayle McLaughlin, and Mayor Eduardo Martinez. **Noes:** Councilmembers Soheila Bana. **Abstentions:** None. **Absent:** None.

Adopted Resolution No. 66-23

Discussion ensued regarding the Other Post-Employment Benefit (OPEB) Funding Policy.

A motion was made by Councilmember Willis, seconded by Councilmember Bana to adopt the resolution recommended by staff regarding the OPEB Funding Policy.

A substitute motion was made by Councilmember Jimenez, seconded by Mayor Martinez to direct staff to conduct analysis on what contributing the ADC minus the pay-as-you-go costs into the trusts would look like in a five-year forecast prior to approving the action and to approve contributions of 10 percent of each year end operating surplus into general fund in excess of cash reserve policy into the trusts.

The substitute motion failed by the following vote: **Ayes:** Councilmember Claudia Jimenez and Mayor Eduardo Martinez. **Noes:** Councilmembers Soheila Bana and Cesar Zepeda. **Abstentions:** Councilmembers Doria Robinson, Melvin Willis, and Vice Mayor Gayle McLaughlin. **Absent:** None.

Councilmember Jimenez offered a friendly amendment to the original motion that staff bring back their analysis on the forecasted amount of what will be paid each year. Councilmembers Willis and Bana accepted the friendly amendment.

The original motion passed by the following vote: **Ayes:** Councilmembers Soheila Bana, Claudia Jimenez, Doria Robinson, Melvin Willis, Cesar Zepeda, Vice Mayor Gayle McLaughlin, and Mayor Eduardo Martinez. **Noes:** None. **Abstentions:** None. **Absent:** None.

Adopted Resolution No. 65-23

Discussion ensued regarding the cooperative agreement between the Richmond Housing Authority and the City of Richmond. The Council decided to take two separate votes for the same item. One vote on the recommendation would be taken by the City Council and the other vote would be taken by the Richmond Housing Authority Board of Commissioners.

A motion was made by Councilmember Zepeda, seconded by Councilmember Bana to approve the staff recommendation regarding the cooperative agreement between the Richmond Housing Authority and the City of Richmond.

The motion passed by the following vote: **Ayes:** Councilmembers Soheila Bana, Claudia Jimenez, Doria Robinson, Melvin Willis, Cesar Zepeda, Vice Mayor Gayle McLaughlin, and Mayor Eduardo Martinez. **Noes:** None. **Abstentions:** None. **Absent:** None.

A motion was made by Commissioner Zepeda, seconded by Commissioner Bana to approve the staff recommendation regarding the cooperative agreement between the Richmond Housing Authority and the City of Richmond.

The motion passed by the following vote: **Ayes:** Commissioners Soheila Bana, Claudia Jimenez, Doria Robinson, Melvin Willis, Cesar Zepeda, Vice Chair Gayle McLaughlin, Chair Eduardo Martinez, and Tenant Commissioner Jaycine Scott. **Noes:** None. **Abstentions:** None. **Absent:** None.

M. ADJOURNMENT

There being no further business, the meeting adjourned at 8:59 p.m.

Z. ADJOURNMENT

There being no further business, the meeting adjourned at 11:13 p.m., to meet again on July 11, 2023, at 6:30 p.m.

Clerk of the City of Richmond

Chairperson