

FINANCE COMMITTEE
Tuesday September 14, 2010
3:30 pm
Council Chambers

MEMBERS PRESENT:

Mayor Alfonso E. Ortiz Jr., Chairman
Mr. Ernesto Salazar, Member

Ms. Kathy Tapia, Co-Chairperson
Ms. Christine Ludi, Member

MEMBERS ABSENT:

Councilor Tonita Gurulé-Girón
Mr. Gilbert Vallejos, Member

OTHERS PRESENT:

Ms. Pamela Marrujo, Interim Finance Director
Ms. Veronica Gentry, Grants Administrator

Mr. Timothy Dodge, City Manager

AGENDA ITEM #1 - CALL MEETING TO ORDER:

Mayor Alfonso E. Ortiz, Chairman called the Finance Committee to order at 3:39 p.m.

AGENDA ITEM #2 - ROLL CALL

Roll call was taken by Ms. Veronica Gentry, Grants Administrator. A quorum was established.

AGENDA ITEM #3 - APPROVAL OF THE AGENDA

Mayor Alfonso E. Ortiz, Chairman entertained a motion to approve the agenda of September 14, 2010. Ms. Kathy Tapia, Vice Chair entered the motion which was seconded by Ms. Christine Ludi with an amendment to change the date to reflect the actual date of the meeting which is September 14 rather than September 15. Motion carried by unanimous vote.

AGENDA ITEM #4 – APPROVAL OF MINUTES – August 17th 2010

The Mayor Alfonso E. Ortiz Jr., Chairman entertained a motion to approve the minutes for the meeting August 17, 2010. Ms. Kathy Tapia, Vice Chair made a motion with a change to the day to reflect Tuesday rather than Wednesday. Christine Ludi seconded. Motion carried by unanimous vote.

AGENDA ITEM #5 – Interim Finance Director's Report

Pamela Marrujo started by explaining the General Fund Finance Report. Ms. Marrujo explained that all revenues were coming in on pace while GRT's are coming in slightly higher than expected. Admin. charges would also be transferred since the City had received final budget approval. The expenditures are on pace at 15% and insurance payments would be paid this month. Conversation ensued on the format of the finance reports including discussion on the how the columns should be interpreted. Recommendation to delete columns C and F of the revenues and G of the expenditures on the finance report was made by Mayor Alfonso E. Ortiz and Ms. Kathy Tapia, Vice Chair. Mr. Timothy P. Dodge expressed that the information is ok in the form that it is presented as long as what it represents is understood. Mayor Alfonso E. Ortiz recommended that we leave the report as it reads and that they are for statistical purposes. Mr. Dodge gave an example of other reports that fluctuate over the year's time and not always will we receive 1/12 of the budgeted amount. Ms. Kathy Tapia, Vice Chair suggested that the 2010 and 2011 budget and actual columns be placed together side by side. Mayor Alfonso E. Ortiz, Jr.

recommended that Mr. Dodge and Ms. Marrujo consider the suggestion. Mr. Dodge stated he liked the way it was presented because you can see where you were last year at the same time. Ms. Marrujo went on to the Enterprise reporting that revenues collected were at 11%. Gas was the only one not on track of revenues collected and those revenues will come when the cold weather comes. The expenditures are at 5% due to Admin. and Franchise fees not being transferred. Also insurances were paid this month so that will reflect next month. Discussion arose about the Admin. fee still being collected from utilities. Mr. Dodge stated that a resolution passed to decrease the admin fee in gas by 1% per year until we reach 7% and we are currently at 8%. The Solid Waste is frozen at 7%. The other two utilities are still at 11%. Mr. Dodge stated that he was going to be recommending capping the Admin. Fees at the current dollar amount. Ms. Tapia questioned why the City was transferring based on budgeted amounts of revenues collected. Ms. Marrujo mentioned that the City has since changed the transfers to the percentage based on actual receipts collected. Conversation ensued. Ms. Marrujo went on to discuss the Recreation report. Revenues were currently at 5% not taking into consideration the transfer from the General Fund which will take place this month. The Receptions expenditures are right on target. Mayor Alfonso E. Ortiz, Jr. talked about monitoring the recreation very closely because in no time, they can exceed their budget. Ms. Marrujo made mention that she and Loretta Abreu from the Recreation department have made a point to review her finance report on a monthly basis prior to meetings to ensure she knows where she is at in the budget. It was requested by Mayor Alfonso E. Ortiz, Jr. that we discontinue including the graphs from the report to save on work and paper.

AGENDA ITEM #6 –OLD BUSINESS

No old business.

AGENDA ITEM #7- NEW BUSINESS

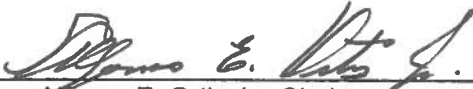

Mr. Ernesto Salazar inquired about the long term goals of the CD's. Discussion ensued on CD's, the rates, and the terms.

Discussion also ensued on the County's intent to implement a ¼% EMS tax that would generate approximately \$960,000. \$670,000 would come from within the city limits. The city already provides the service.

Discussion also ensued on the State possibly taking away the city's state share of the gross receipts tax which is 1.225% equaling \$3.4 million.

AGENDA ITEM #8 - ADJOURN

Mayor Alfonso E. Ortiz Jr., Chairman entertained a motion to adjourn the Finance Committee meeting of September 14, 2010. Ernesto Salazar entered the motion to adjourn at 4:29pm. Motion was seconded by Ms. Tapia. Motion carried by unanimous vote.

 _____ Mayor Alfonso E. Ortiz Jr., Chairman	11/16/10 _____ Date
 _____ Pamela Marrujo, Interim Finance Director	11/16/10 _____ Date

*****Note: This version of the minutes is summarized, for a full copy of the recording please see the Finance Department. ******