

STATE OF NEW MEXICO)
COUNTY OF CURRY) ss.

The City of Clovis Finance Committee met in regular session Wednesday, October 18th, 2017 in the Conference Room of the Bert Cabiness City Government Center, 321 N. Connelly Street, Clovis New Mexico in full conformity with the laws of the State of New Mexico and the ordinances and resolutions of said city with the following members present:

Mayor Pro Tem Garza, Vice Chair
Commissioner Elliott
Justin Howalt, City Engineer
Leighann Melancon, Finance Director
Mayor David Lansford, Chairman
Commissioner Madrid

Mayor Lansford called the meeting to order at 2:00 p.m. and established the presence of a quorum.

Agenda Item No. 3 – Approval of Minutes – July 19th, 2017

Commissioner Elliott made a motion to approve the minutes of July 19, 2017 as presented; Mayor Pro Tem Garza seconded the motion. Upon a roll call vote, with all voting in the affirmative with the exception of Mayor Lansford and Mr. Howalt who abstained, the motion carried.

Agenda Item No. 4 – Finance Report

Ms. Melancon gave the finance report as follows:

General Fund 1 - \$6,885,677.48
Solid Waste Fund 2 - \$2,031,780.64
Environmental Tax Fund 6 - \$6,079,925.65
Wastewater Fund 10 - \$3,900,144.95
Airport Fund 12 - \$122,996.35
Colonial Golf Course Fund 19 - \$83,088.55
Worker's Comp P&L Fund 48 - \$2,032,722.45
Infrastructure Imp Fund 60 - \$726,130.96
Special Parks Imp Fund 61 - \$184,948.94
Civic Center Fund 62 - \$461,244.27
Designated Cash Fund 63 - \$1,460,797.96
Economic Development Fund 64 - \$2,868,531.23
Special Street Fund 75 - \$1,363,295.55
Capital Projects Fund 87 - \$1,268,231.91
Drainage Improv Fund 88 - \$738,662.75

Beginning cash and investments was \$41,032,315.36 and ending cash and investments was \$40,690,697.44. The breakdown is \$17,793,238.30 Cash in Bank, \$6,006,435.54 in CD's with Citizen's Bank and \$16,891,023.60 in the State Investment Pool. Interest earned for the month was \$15,456.51 and for the year to date \$44,099.36. The state pool for September was 1.01%.

Mayor Pro Tem Garza stated he noticed they have money in almost every bank in Clovis. Ms. Melancon stated when they had fund 24 for the Wilhite project they did use Bank of Clovis for that money. Mayor Pro Tem Garza asked if it was fair to say that their next bond would with them. Ms. Melancon stated it could be. She always looks at fees and some banks are willing to waive all of the fees they charge.

Mayor Lansford asked if the \$6 million in cash reserves in Fund 6 was obligated. Mr. Howalt stated that was the financial assurance that they have to provide. Mayor Lansford asked at what point did they have excess dollars in there. Mr. Howalt stated each year they do a financial assurance calculation. If they started to close cells at the landfill they could start using those funds to do those closure procedures. At the end of a projected 20 years when they close a cell they will have money there as well as additional funds for the next 30 years for post closure. Mayor Lansford asked if there was a formula for determining what is excess cash in that account. Mr. Howalt stated when he was there, there was no excess cash. As long as they are still paying in to it then there is no excess cash.

Mayor Lansford stated Fund 10 Wastewater is showing ending cash of almost \$4 million. He asked if some of the unencumbered dollars were on standby in the event that they need it for effluent reuse, project expansion or any other projects. Mr. Howalt stated right now it is in there for matching funds. Mayor Lansford asked if he would consider that fund healthy. Mr. Howalt stated he would.

Mayor Lansford stated the economic development fund had a little over \$2 million in unencumbered, unobligated cash reserves. It is worth reporting at some point that they used economic development dollars to buy the Wall water rights. This account has refurbished itself. He asked Ron Lancaster and Steven Hill to provide him current data on the well saturated thickness at Cannon Air Force Base. Mayor Pro Tem Garza stated they did their due diligence before spending that money on water rights.

Agenda Item No. 5 – For the Good of the Order

Mr. Howalt stated they are continuing to look at the nonrecurring funds that are available. They started with \$1.4 million and are up to \$1.5 million. One thing they have budgeted for is the shooting range. They had budgeted for dredging the lakes at Colonial, but are potentially headed a different direction with that. Mayor Lansford state they put a bacteria in there to eat the sediment. Mr. Howalt stated they originally had \$250,000 budgeted in nonrecurring for that. They also had the Lyceum Theater budgeted for \$350,000, but they are looking at other funds for that as well. Some of the items Ms. Melancon and him have looked at funding from nonrecurring are finishing Finance remodeling and adding a pitched roof to City Hall. They will have one of the engineering companies design a new roof and HVAC system for the building and then bid it out.

Mr. Howalt stated they are also continuing to look at the wish list. It is his goal to try to accommodate each of the departments when they can. Mayor Lansford stated investing in a new roof is fundamentally responsible.

Ms. Melancon stated when the CD renewed they decided to relook at their investments and she only renewed for 6 months. She received an investment policy from Mr. Harrigan around the time Mr. Phelps left. They will go through and review the policy and bring it back to this committee at their next meeting. They want to stay safe, but look at some other options that will bring a better return on the \$22 million they have.

Mr. Howalt stated he is also looking at potential GO bonds for capital improvements to the parks. They have a parks master plan, but it's sitting on a shelf. He has Mr. Harrigan running numbers on that. This would only go towards capital improvements. Mayor Pro Tem Garza asked if they could add an amphitheater at Greene Acres. Mr. Howalt stated it would be a capital improvement. Mayor Lansford stated this would be a good idea. Ms. Melancon stated they would be approved by the voters. Mayor Lansford stated the last time the voters had a chance in 1994 to vote on a gross receipts tax for park improvements they voted it down. Mr. Howalt stated they would have to do a campaign to promote it and this would be to raise property tax.

Mr. Howalt stated the street bond is coming up for renewal so they will be working on that. Currently there is \$39,000 left in the existing one after the Wilhite job was completed. The street lights on US 60/70/84 have been out for over 2 years. Originally they weren't in the DOT's scope of work according to the DOT. There are estimates from Xcel energy. They had 21 existing lights, they are willing to put the 21 back and the city has to pay for 26 new ones. The city has entered into a lighting contract with the DOT because the DOT does not light roadways. This is saying the DOT is not responsible for the lights if they get and that the city will maintain them. This is something they have signed in the past. This should cost around \$40,000.

Agenda Item No. 6 - Adjournment

There being no further discussion, the meeting adjourned at 2:40 p.m.

Chairman

SEAL
(ATTEST)

City Clerk