

STATE OF NEW MEXICO)
CITY OF CLOVIS) ss.

The City of Clovis Finance Committee met in regular session Wednesday, July 20 2022 in the Small Conference Room, Bert Cabiness City Government Center, 321 N. Connelly, 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 Mike Morris, Chairman
Commissioner George Jones
Mayor Pro Tem Chris Bryant, Vice Chair
Ms. Leighann Melancon, Finance Director

ABSENT: Commissioner David Bryant

EX-OFFICIO PRESENT: Justin Howalt, City Manager

ALSO PRESENT: Vicki Reyes, Assistant City Clerk

Mayor Morris called the meeting to order at 2:03 p.m. and established the presence of a quorum.

Agenda Item No. 3 – Approval of minutes of May 4, 2022

Commissioner Jones made a motion to approve the minutes of May 4, 2022; Mayor Pro Tem Bryant seconded the motion, which passed by acclamation.

Agenda Item No. 4 – Finance Report

Ms. Melancon gave the finance report as follows:

General Fund 1 - \$8,075,866.68
Solid Waste Fund 2 - \$2,864,735.59
Environmental Tax Fund 6 - \$8,735,626.34
Wastewater Fund 10 - \$4,435,029.86
Econ Develop GRT Fund 64 - \$4,150,153.23
Water ¼% GRT Fund 66 - \$6,305,057.85
Special Streets Fund 75 - \$825,444.51
Capital Projects Fund 87 - \$1,719,290.19
American Rescue Plan Fund 94 - \$4,743,863.29

Beginning cash and investments was \$59,225,483.11 and ending cash and investments was \$58,799,960.20. The breakdown is \$33,402,128.27 Cash in Bank and \$25,397,831.93 in the State Investment Pool. Interest earned for the month was \$15,028.75 and for the year to date \$64,791.50. The state pool for June was 0.9016%.

Ms. Melancon advised they are 10% over from last year, 6% over from two years ago and 23% over budget for this month in GRT.

They are still substantially up tracking excise tax for Cannabis. It is down a little from last month but they don't have true value numbers because it is figured into the total for retail. They were up 2,400 in reporters this year. Mr. Howalt advised based off the excise tax they have tried to back into GRT and they are projecting another \$2 million in GRT and \$300,000 in excise tax. Ms. Melancon advised they are not making anything definite. Sometime in September they hope to report on trends they see. She advised they have 8 businesses currently in operation and are waiting on two more.

Mayor Morris asked what the lag was for reporting in GRT. Ms. Melancon advised 2 months and excise tax is one month behind. Mayor Morris advised they can take the excise amount and work backwards to estimate the GRT. He asked how many months they would like to see before they can trust the numbers. Ms. Melancon advised DFA stated they would wait a year. Mayor Pro Tem Bryant advised it was going to take some time to see how many establishments can survive.

Mayor Morris advised they projected in the 2023 budget a ¼% percent GRT would produce \$2.21 million. The water ¼% GRT is \$2.293 million and the economic development GRT is different. He advised that was why it was not exactly half of the water ¼%.

Mr. Howalt advised he updated the cash flow projections for the Water Utility Authority with this ending cash balance versus what he projected originally. He changed the growth rate of the GRT to 2% so the future goes negative at one point. His projections if GRT grows more than 2% a year the ending cash balance next year would be higher than he anticipated.

Ms. Melancon advised she has updated all of the beginning cash balances for the budget. They are looking at \$1.7 million available cash balance. She has not added in any carryovers or made any final adjustments to payroll.

Agenda Item No. 5 – For the good of the order

None.

Agenda Item No. 6 – Adjournment

There being no further business to come before the committee the meeting adjourned at 2:23 p.m.